The New REPUBLIC

A Journal of Opinion

VOL. LXXXVI NEW YORK, WEDNESDAY, APRIL 29, 1936 NUMBER 1117

Contents

The Week 325

Editorials

Where Government Money Goes 328
Trouble on the Waterfront 329
Relief: A Permanent Problem 330
Illinois Goes to the Polls 331

General Articles

Almost Thirty ..... John Reed 332
Why the Great Bull Market? ..... A. Wilfred May 336
Russian Idyls ..... Edmund Wilson 339
The Skipper Stages a Comeback ..... Felix Ray 342
Washington Notes ..... T. R. B. 343
Other People's Money ..... John T. Flynn 344
More Things in Heaven and Earth .. Otis Ferguson 345
The Bandwagon 346

Correspondence 347

Books in Review

A Game of Chess ..... Malcolm Cowley 348
Mr. Keynes's "General Theory" .... Horace Taylor 349
The Book of Ireland ..... Robert Morss Lovett 350
China and Points East ..... Bunji Omura 350
Minor Classic ..... Newton Arvin 351
Books in Brief 351

The Week

WITH Italian armies occupying Dessye and the advance guard moving implacably toward Addis Ababa, the League Committee of Thirteen this week confessed itself helpless to bring about a settlement of the Ethiopian conflict. Mussolini flatly refused to proceed within the League framework and said he would consider only direct negotiations with Ethiopia—which meant a dictated peace imposed by a victorious military commander. The next logical step was the imposition of further sanctions against Italy. Great Britain's natural impulse to proceed on this course was tempered by the gravity of the military situation along the Sudan border and the naval situation in the Mediterranean, plus the virtual certainty that France would not follow such a lead. The final decision was to postpone the whole matter until the next meeting of the League Council on May 11. This meeting will take place after the French general elections of April 26, and the new government will then be in power. Meanwhile it was thought that even though Addis Ababa should fall, Ethiopian resistance would not be entirely crushed and the long and highly vulnerable lines of communication, plus the imminence of the rainy season, might cause the war to drag along for another year, at ruinous financial cost to Mussolini. Germany remained watchful and quiescent while the diplomats struggled at Geneva, and on Monday the occasion of Hitler's forty-seventh birthday drew forth the greatest military display since the imperial maneuvers in the spring of 1914. Bloody riots between Jews and Arabs were reported from Palestine. In Spain the Leftist government extended the "state of alarm," a kind of modified martial law, and removed from duty several high army officers suspected of fascist sympathies.

CONGRESS finally got a tax bill, embodying new levies on corporate surpluses as well as "windfall" taxes, out on the floor of the House of Representatives this week. It seemed destined to face many stormy sessions before the House and Senate finally hammered it into law. The Senate Lobby Committee brought out interesting revelations of du Pont-Raskob backing for Governor Talmadge's abortive "grass-roots" convention in January, and of Al Smith's being asked to make his famous Liberty League speech because the League needed Al, as he said, to "clear it of its financial taint." The Senate, by an exact two-thirds majority, voted that Federal Judge Halsted L. Ritter of Florida had committed "high crimes and misdemeanors in office," thus marking him as the fourth to be convicted out of the thirteen men who have had federal impeachment charges brought against them in this country's history. President Roosevelt announced that he would devote no further relief funds to the Passamaquoddy tide-harnessing project nor to the Florida ship canal, both of which projects Congress had refused to support with direct appropriations. The President was saddened by the loss of his former chief secretary and lifelong personal friend and political mentor, Louis McHenry Howe, who died at the Naval Hospital in Washington after a lingering illness of a year's duration. Senator Borah's good showing in the Republican primaries in Illinois, where he captured a substantial block of

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the state's fifty-seven delegates in a contest with the organization-backed favorite son, Colonel Frank Knox, caused Borah to demand that the voice of the Western Progressives be heeded in the naming of the Republican presidential nominee.

WHILE Washington observers still profess that they are bewildered to know why a Pan-American Conference should be held this year, President Roosevelt continues to display signs that he is taking it very seriously indeed. His projected visit to Canada in June to confer with the Governor General is not merely a device to steal the front pages from the Republican National Convention, though it will probably have that effect. Washington correspondents believe the President will seek to ensure Canada's coöperation with the new Pan-American League of Nations that is now vaguely in the offing. In particular, Mr. Roosevelt is eager to get a redefinition of neutral rights in wartime, behind which he would like to put the weight of all countries in this hemisphere, including Canada. Unkind critics say that Mr. Roosevelt is fishing for the pacifist vote in next autumn's election. The number of Americans opposed to war is now amazingly large, and the Roosevelt administration has given them singularly little reason to rejoice. If this is the President's intention we doubt whether it will succeed. The most important aspect of American foreign policy has to do with Japan. We are now spending $1,100,000,000 annually in preparation for a war in which Japan is our only conceivable opponent. The American pacifists are too keenly conscious of this to be put off with talk about keeping peace in Latin America, where we were unlikely to go to war in any case.

THE Senate Munitions Committee, after its investigation lasting for many months, has now issued the first section of its report. It contains a criticism of American manufacturers of armament that has been foreshadowed in the news of the hearings and seems amply justified by the facts that have been revealed. The munitions makers are criticized for conducting their business by means of bribery, for excessive profits, for their efforts, usually successful, to prevent international limitation of armament and for engendering war scares for the sake of selling goods. They are charged with letting important American military secrets get into the hands of foreigners, sometimes through the coöperation of the War Department. A majority of four of the committee's seven members recommends government manufacture of warships, guns and ammunition; the only important weapon excluded is aircraft, and the reason given is that aviation is not yet stabilized. The majority report advocates that with the exception noted, government yards should supply the full peacetime needs of the army and navy. The government would own additional tools and equipment and in case of a war emergency these would be supplied to private plants for the purpose of turning out larger quantities. We shall comment in detail on the proposal of the Munitions Committee in a later issue of The New Republic; meanwhile, it should be noted that the recommendation comes after the most exhaustive inquiry ever conducted, anywhere in the world, into the ways of the Dealers in Death. Senator Nye and his colleagues know more than anyone else about these gentry; and apparently, the more they know, the lower is their opinion.

IT IS good news—so rare in the case of judicial decisions nowadays as to demand special comment—that the New York Court of Appeals has validated the constitutionality of the state unemployment-insurance law, by a five to two decision. In doing so the Court, which has appeared to be reactionary on social legislation in the past, reversed a lower judge who had held that since employers have no responsibility for unemployment, it is contrary to due process to take money from them to compensate the jobless. "It would be a strange sort of government," writes Chief Justice Crane of the higher court, "in fact no government at all, which would not give help in such trouble. . . . Power in the state must exist to meet such situations, and it can only be met by raising funds to tide over the unemployment period. Money must be obtained and it does not seem at all arbitrary to confine the tax to a business and unemployment out of which the difficulty principally arises."

WHEN the recent strike of building-service employees in New York City was ended, both sides agreed to an arbitration of the points at issue. The arbitrator, Ferdinand Silcox, has now announced the results. Minimum wages have been granted ranging from $936 to $1,456, which means approximately a ten-percent addition to the wages paid in 1,500 buildings. Workers in office buildings and lofts will get substantially what the union demanded for them, but the decision as it affects apartment-house workers represents a compromise. Mr. Silcox awarded no increases for those already receiving more than the minimum rates and did not rule on wage differentials or hours of work. The question of hours, under the existing agreement, will come up next year. James J. Bambrick, head of the union, declares that the award, which sets up the principle of a minimum wage, justifies the strike and is a victory for the union. It is true, however, that many of the workers are still badly underpaid, and that most of the building owners have shown themselves to be as autocratic, callous and ruthless a group of employers as can be found anywhere in the country today.

TWO vast projects of the Roosevelt administration have now been abandoned, perhaps temporarily and perhaps forever: the Florida ship canal and the Passamaquoddy power project. The President has announced he will allocate no more money to them

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

from relief funds, and Congress shows no signs of making appropriations at the present time. Both schemes have been the center of long and bitter controversy. Opponents declared that the ship canal was unnecessary, that steamship companies would not use it, that it would drain off the subsurface water from a large part of northern Florida and would substitute salt for fresh in some places. Enemies of the Passamaquoddy project, where power would have been created by the movement of tidal waters, charged that the cost was excessive, the enterprise of dubious practicability and the resulting power, if any, salable only at long distances and perhaps not even then. There has been a theory in some quarters that the main desideratum was to spend public money quickly without worrying too much about the social usefulness of the products created. This case is a demonstration that careful planning ought to precede expenditure. It would have been better not to start the projects in question at all than to leave them half-finished, as monuments of government waste.

WE WISH we could fathom the mental processes of a judge who would send three small children, aged between six and nine, to the reform school for refusal to salute the American flag. This is what has happened at Northampton, Massachusetts, where Judge John W. Mason imposed such sentences upon the children of Ignace Opielouski. The father is a member of the religious sect known as Jehovah's Witnesses, and he ordered his children not to salute the flag because to do so is contrary to the teaching of his organization. Does Judge Mason, or anyone else, believe that a child of six deserves to go to the reform school for obeying his father on a question of deeply felt religious principle? Is patriotism worth having when it is enforced by measures of this kind? Does not love of country imply a reciprocal obligation, that the country shall treat the individual in such a way as to make love and respect possible?

FOR more than twenty years, John S. Sumner of the New York Society for the Suppression of Vice has sought to impose on the national metropolis his own ideas of what is and is not proper in the fields of literature and art. He has carried on the work of the late Anthony Comstock at just about the same level of intelligence and taste. Last week Mr. Sumner, who has conducted scores of successful prosecutions in his quasi-public position, got a little taste of his own medicine. Nathan Freedman, arrested on Mr. Sumner's complaint and found not guilty, sued that gentleman and his society for $50,000 for false arrest. A jury awarded him $500, a sum probably as large as he had any right to expect and sufficient to give him complete vindication. The moral climate is changing, and Mr. Sumner seems unable to change with it. A notable series of court decisions, of which the most recent was given by Court a short time ago, have indicated that community standards today are miles distant from the narrow puritanism and esthetic myopia of people like Mr. Sumner, who admitted in court that after living in New York for many years he "couldn't remember when" he had ever been in the Metropolitan Museum of Art. The world do move, though Galileo burn for it and John S. Sumner, because of it.

IT IS grand good news, in our opinion, that the National Catholic Education Association has decided to fight the teachers'-loyalty-oath laws. It has adopted a resolution declaring that the schools must not be made "the playthings of politics or the organs of a false patriotism." When teachers are forced by law to take oaths of allegiance to the government, says the N.C.E.A., "a step is being taken in a dangerous direction." In the past, it has often been charged that Catholics were supporting these laws which insult and humiliate every teacher in the states where they have been passed. In Massachusetts, for example, it is the general belief that Irish Catholic members of the State Legislature from the Boston area were the ringleaders in passing the teachers'-loyalty-oath law last year and in preventing its repeal a few weeks ago. The action of the Association shows an acute awareness that the Church is on dangerous ground when it helps to create a restriction of liberty certain to be used in the long run against itself and all other minority groups. The resolution passed by the N.C.E.A. is a sign of sanity in a world where such signs are nowadays all too infrequent.

IN ITS issue of April 8, The New Republic commented on the fact that The National Education Association Journal had declined to print advertising of Russian travel from The Open Road, Inc. Subsequently another agency, whose Russian travel advertising had also been refused, submitted copy announcing tours in Nazi Germany. This was accepted. When these facts became known, prominent educators and others wrote the N.E.A. Journal, assailing its inconsistency. We are happy to say that this action has brought a reversal of policy and that henceforth teachers are to be allowed to know that they may travel in the Soviet Union as well as in other lands. Pressure from reactionaries is a genuine menace, but it is a menace that can be minimized if it is vigorously resisted by those who care about true American traditions.

WE HEREBY strike our colors, show the white flag and surrender. We have given up the attempt to keep the American people from using the word "contact" as a verb. To be sure, we shall continue to keep it out of the columns of this paper, but we shall no longer flood the country with letters of protest, picket the homes of writers who employ it or make attempts to dynamite the premises of period-

LICENSED COURIER.ORG
ELECTRONIC REPRODUCTION PROHIBITED

America is determined that "contact" shall be a verb; very well, a verb it shall be. At the same time we announce with firmness, not to say truculence, that we are keeping up another battle: the fight against the word "reportage."

IN The New Republic of March 18, 1936, we published an editorial paragraph about the labor troubles in the copper mines in Rhodesia, Africa, in the course of which we referred to "The Watch Tower Movement, a religious-anarchic organization of American origin," which has been held "partly responsible for the strike." We have received a letter and several thousand words of accompanying documents from the Watch Tower Bible and Tract Society, 124 Columbia Heights, Brooklyn, New York City, stating that it is not the organization referred to.

Where Government Money Goes

MR. A. Wilfred May's analysis of the present bull market in Wall Street, printed on page 336 of this issue of The New Republic, seems to us sound. Stocks are selling at higher prices than would be warranted by present or possible future earnings. That this is not caused by a flight of capital from prospective inflation is proved by the fact that bond prices are also high, while commodity prices have not recently risen. The boom is not being financed, either, by collateral loans, as was the market of 1929; therefore it cannot arise from unhealthy expansion of speculative credit. The high prices of stocks and bonds are due to the excess of money-seeking investment over new offerings of securities.

This article, however, raises by implication at least one important question that it does not answer. Mr. May accounts for the large quantity of investment funds by reference to the government's policy of borrowing and spending. This creates an expansion of deposits in the banks, not through the usual direct method of increased borrowing by business, but at second hand. He also speaks of the official pressure to reduce interest rates, which tends to prevent people from selling securities of low yield, because it is difficult to find more remunerative ones. But why, under these conditions, do not the offerings of new securities increase?

Here is the government, spending with a prodigal hand. Such spending is supposed to "prime the pump"—it is supposed to create large markets for business. Low interest rates, too, are supposed to stimulate production, especially in the capital-goods industries. With demand for goods increasing, and with investment money cheap, why does not business lap up the money seeking investment, in order to prepare to produce more goods? This combination of economic theory, to be an ideal setting for expansion of production and trade. And such expansion would be supposed to lead to an increase of offerings of new stocks and bonds. The oversupply of money for investment ought to stimulate the demand for it. Thus the speculative overvaluation of existing securities would normally be corrected. And as private investment rose, and production and employment increased, government borrowing and spending could be tapered off. The government's policy of flooding the markets with money and of keeping interest rates low would have their intended effect. Why does this not happen?

It may yet happen, but the result has been so long delayed that one is justified in assuming that something is obstructing it. Interest rates have been low ever since 1931. Yields of stocks have been low for a shorter, but still for a considerable, period. Government-deficit financing goes back to Hoover, and large-scale spending began in 1933. Industrial production has risen somewhat and is now, it is announced hopefully by business commentators, almost at the normal level. But this "normal" is the average of what we attained in 1923 to 1925, more than ten years ago, when population was smaller and productive capacity was less. It is 18 percent below 1929—now seven years ago. In spite of it, there are still about 12,000,000 unemployed. Why is it that abundant funds created by government spending are by-passed into stock speculation rather than stimulating a really adequate jump in production and consumption of goods?

We suggest an examination of the channels through which this money passes. The obvious inference is that the money gets too quickly into the savings of those who buy stocks and bonds, without creating enough production on the way. Exhaustive statistical research would probably establish this thesis in detail, but no such research is necessary to apprehend the main facts. There are perhaps twenty-five million people on relief, to whom much of the government spending goes. These people have lower incomes, and can buy much less, than they could in 1923-25, or in 1929. Their purchases expand the markets for goods over 1932 levels, but not enough. The wage-earners and salary-earners who do have jobs in private employment have somewhat larger purchasing power than at the bottom of the depression, but their ability to buy has not much increased during the past year, because the cost of living has risen along with wages. Purchasing power of the farmers was boosted in 1934 and the beginning of 1935 by rising prices of crops and by benefit payments; since then little or no improvement in their status has taken place. The great bulk of consumers in the country do not have large enough real incomes to create as much of a market for consumers' goods as before the depression. Their buying therefore puts little strain on existing productive capacity. This capacity, in turn, has been much enlarged in the meantime by more efficient

CONNECTED TO UZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

circumstances, it is no wonder that there is not sufficient demand for new capital goods, and little expansion in offerings of new securities with which to finance them. Business does not need to enlarge its equipment much in order to supply existing and prospective demand.

Now let us look at the other side of the shield. Who has the extra cash with which to buy stocks and bonds? Not the millions on relief, the millions of wage-earners and small salary-earners, the millions of farmers. Some of it does come from an increase in savings deposits, life insurance and the like, accumulated by those of moderate income. But the greater part of the money used to purchase stocks in Wall Street comes from those who have larger incomes. It comes, in other words, out of big salaries, out of dividends, out of profits—some of them undistributed profits, invested by corporations and business concerns. The money spent by the government, after passing through the hands of those who directly receive it, comes to rest in the bank deposits of those who are paid profits, dividends and big salaries. These persons cannot spend, in the purchase of consumers' goods, anywhere near all they get. The money does not, therefore, continue to circulate in the channels of production and trade. It seeks investment in Wall Street. Thus the supply of investment money is accounted for.

According to orthodox theory, this money ought in turn to go back into wages and create employment, by being used in new investment. A factory that needs an addition would offer stocks or bonds; the savings used to buy these securities would be spent on the addition; an increase in employment and wage income would thus take place; the money would continue to stimulate production. But this is just the point at which, according to Mr. May's analysis, the circle is broken open. Insufficient new securities are offered to make use of the funds. They simply circulate around Wall Street, raising the prices of those that exist. Not enough factories want additions, even though money is abnormally cheap. Why? The reason seems to us obvious. The market for consumers' goods is not large enough. Real wages and farm incomes are too low in relation to profits and large salaries. The stock-market aberration leads us right back to the heart of our dilemma.

What is to be done about it? It is evident that either money wages must be larger, as the A.F. of L. demands, or more people must be employed at existing wages by a shortening of hours, as it also demands, or prices of industrial goods must be reduced, as Dr. Moulton and the Brookings Institution recommend. It is also evident that any one of these remedies would be useless if it adversely affected one of the other factors. Higher wages or shorter hours, for instance, could not enlarge purchasing power if they led to an equal boost in prices or a slump in production and employment. Lower prices would be useless if they led to lower wages and longer hours. It is also quite that any of these measures would be futile without a simultaneous program for enlarged investment. It is in intelligent control of these essential matters that the solution of our economic problem lies.

Trouble on the Waterfront

AFTER months of preparation, the organized shipping interests last week launched their attack on the maritime unions of the West Coast by refusing to hire longshoremen through the union hiring halls in San Francisco. The reason given for the lockout was that the longshoremen would not unload the "hot" cargo of the "Santa Rosa," which sailed from New York with a scab crew. That this reason was merely a pretext is evident from the fact that The New York Times, as long ago as last January, revealed that the shipowners and industrialists of San Francisco had carefully laid plans to do precisely what they have done during the past week—paralyze shipping by means of a lockout and then attempt to place the onus on the waterfront workers by launching a "Red scare" against the leaders of the Maritime Federation of the Pacific. Thus far, however, organized labor on the West Coast—including the San Francisco Central Labor Union—has expressed unanimous support of the longshoremen's union, despite the efforts of the shipowners to solve all problems by announcing that Harry Bridges, capable leader of the San Francisco local, is a Communist.

There can be little doubt that the shipowners were prompted, in large measure, to launch their attack at this time because of the rapidly growing seamen's strike in New York. Begun just a month ago by sixty-four members of the crew of the "California" who had been blacklisted because they demanded better working conditions, the strike has now enlisted the support of some 3,500 seamen. It is an "outlaw" strike in that the conservative union officials have refused to sanction it, and it is something of a phantom affair in that the New York papers have scarcely mentioned it. Yet the shipping lines are keenly aware of it and are having increasing difficulties in recruiting crews. Union officials have done their best to supply substitutes for the strikers but even so sailings have been delayed. Most disconcerting of all, however, is the fact that these substitute crews—hastily thrown together and a threat to safety because of inexperienced hands—merely mean the beginning of trouble. For out on the West Coast the ships that they are on have been declared unfair to labor. That means, almost certainly, that they will get the same reception accorded the "Santa Rosa" when and if they dock in a Pacific port: their "hot" cargoes will not be handled by the union.

Thus, with the West Coast as the main battle-front of maritime labor at the moment, it is not surprising to find the shipowners declaring war on

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

happens to be the strongest and most militant on the coast. They are unquestionably the advance guard of maritime labor. For they not only enjoy better working conditions than obtain in any other port (as a result of the 1934 general strike) but they are also willing to use their strength to improve union conditions elsewhere. Obviously, if the shipping interests are able to crush the San Francisco unions, it will mean a serious setback for maritime workers in every port. The conservative national officials of the seamen's and longshoremen's unions are now in the embarrassing position of having to choose between the militant rank and file—the "outlaw" strikers in New York—and the anti-union shipowners. Up to the moment, their actions have been directed entirely against the rank and file—even to joining in the Red-baiting with which the shipowners hope to alienate public sympathy from the waterfront workers.

Meanwhile, the federal government is not without responsibility. Last January, the Maritime Federation of the Pacific—foreseeing the present crisis—requested an investigation of maritime labor conditions. This investigation would unquestionably have exposed the carefully directed plot against the San Francisco waterfront workers. It is not too late yet for such an investigation, and it should be made immediately—before the situation in San Francisco develops into another armed conflict.

Relief: A Permanent Problem

PRESIDENT Roosevelt's Baltimore speech was notable for several reasons. Among these perhaps the most important was the indication, given so far as we know for the first time, that the President is beginning to recognize that unemployment is a permanent problem. Heretofore he has insisted upon regarding it as a temporary matter, to be solved on an emergency basis, a fact that has caused much needless trouble. Appropriations have been made for a few months and it has then been necessary suddenly to renew them against heavy resistance and sometimes with gratuitous anxiety and hardship to the recipients of relief. The fact that the whole enterprise was supposedly temporary has, no doubt, made it harder to obtain administrators of high quality. Public debate on the fundamental problems has in large measure been prevented because the assumption has been that these problems were about to disappear. But as everyone knows, they are not disappearing. At least 12,000,000 are unemployed and, if you count young people who have grown up and never had a job, the number is 15,000,000 or more. About 25,000,000 men, women and children are on relief, about a fifth of our entire population. The experience of European countries confirms the belief that it is possible to obtain a substantial degree of recovery and still leave millions of persons, able and willing to work, out in the cold.

Meanwhile, the whole problem of relief continues to be Mr. Roosevelt's gravest liability. He is attacked regarding it both from the right and the left: the conservatives want work relief stopped because the dole is cheaper, and some of them want the dole stopped because starvation is still cheaper. The forces on the left complain, and in our opinion legitimately, that many of the unemployed are being kept at the starvation level, that numerous work-relief projects are bad because of hasty improvisation, that others are of little permanent value and that some badly needed activities—such as housing—are neglected because of the exaggerated fear of competing with private business. In New York City and some other areas, the demands of the unemployed for better treatment are met by the simple charge that their spokesmen are communists—a charge which, even if true, has nothing to do with the case. From many parts of the country come ominous reports of favoritism, party politics and graft in the state W.P.A. administrations. These conditions, it should be added, are not the fault of Administrator Harry Hopkins, who is doing his best under difficult circumstances, but result from the fact that Democratic politicians, as incompetent as they are venal, were allowed to interfere with the relief machinery.

Although the public has an impression that the W.P.A. has already spent $4,880,000,000 and now has about $3,000,000,000 in hand, this is not true. Of the first amount, actually only about $1,100,000,000 was earmarked for the W.P.A. Of the remainder $500,000,000 went to the Department of Agriculture for new roads, $523,000,000 to the C.C.C., $146,000,000 to the War Department, $445,000,000 to the P.W.A., $181,000,000 to the Resettlement Administration and $935,000,000 to the old F.E.R.A. The new appropriation, reluctantly accepted by the President, is only $1,500,000,000 for the W.P.A. with no additional funds, as yet, for P.W.A. or R.A. Since the relief burden is costing at least $2,000,000,000 annually, of which the federal government pays fully three-quarters, no one can complain that the new appropriations are too large. In fact, the government is working a cruel hardship on hundreds of thousands of the unemployed by turning them back to states and cities, which in many cases are not prepared to care for them. Washington is even considering doing this with the white-collar projects for artists, writers, musicians and stage people; it is safe to say that if this action is taken, these projects will break down and many thousands of talented creative workers will be given the choice between manual labor and starvation.

What should be done to deal with the problem of unemployment intelligently and from a long-time point of view is no secret. The principles have been stated many times in our pages and elsewhere. The government should set up a national, coördinated system of employment agencies of its own. Every unemployed person should receive relief adequate

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

to maintain himself and his family on a decent American basis. Public works should be undertaken with careful planning, on a scale commensurate with the vast size of the problem, and without too great tenderness for the hurt feelings of private business. Persons employed on these projects should be chosen from the normal labor market on a basis of aptitude and experience and paid full standard wages for a standard week's work. Mr. Roosevelt's sudden inspiration, a few months ago, that he would "abolish relief" by putting everyone to work, does credit to his heart but not to his head. It was a scheme that could not be carried out in any case and was fatally handicapped from the beginning by appropriations probably one-half to one-third as large as the necessary minimum. It is still possible for the President to turn his greatest liability into his greatest asset—if he has the wisdom and the courage.

Illinois Goes to the Polls

A CHICAGO correspondent sends us some notes on the primary election of April 14. It had as its chief interest on the Republican side, he observes, the contest between Borah and Knox. Borah carried eleven congressional districts, Knox fourteen. If the vote were mandatory Borah would have twenty-six delegates to Knox's thirty-one, but as it is merely advisory Knox claims forty-seven on personal preference. His lead in popular vote was 75,000. On the Democratic side, Governor Horner's fight for renomination was successful against the Cook County organization headed by Mayor Kelly and Pat Nash. Herman Bundesen, health commissioner of Chicago, who was put forward as the organization candidate, carried Cook County, but down-state votes brought Horner in by 150,000.

Governor Horner, after two years of subservience, won the enmity of the organization by vetoing the bill for the licensing of booking parlors in Chicago. He made his campaign on the single issue of Boss Kelly. Although the battle was waged with sound and fury, it was, after all, shadow boxing. Bundesen did not attack the vulnerable spots in Horner's record when he was controlled by Kelly, and Horner did not call up Kelly's record on the "whoopee drainage board," or Bundesen's suppression of information in regard to the amoebic-dysentery epidemic in Chicago during the Century of Progress Exposition. Accordingly Democratic harmony has suffered no mortal wounds. Mayor Kelly is still sulking, but we may expect Mr. Farley to put the estranged political bedfellows under the same blankets before November.

There was an issue in Chicago more momentous to the city than the choice of candidates. For years corruption in the balloting and counting of votes has been notorious. At least 200,000 fake names have counting have been uncovered whenever a recount was obtained. This year a determined effort was made to obtain a fair vote. The United Citizens' Council was organized under the leadership of a public-spirited lawyer, Arthur M. Barnhard, whose recent death is a bitter loss to the city, and the Women's Civic Council entered the field. On the day before the primary, the Chicago Civil Liberties Committee met with the members of the Chicago Bar Association and heard impassioned speeches from County Judge Edmund K. Jarecki and State's Attorney Thomas J. Courtney, asserting that the civic conscience of Chicago had at last awakened, and that the balloting on the morrow would be clean. Hundreds of members of the Bar Association and other organizations had volunteered for service as watchers at the polls, and were assured by Jarecki and Courtney that they would be given due consideration and protection.

On Tuesday, however, when they went to their stations they found that their credentials were invalidated by a joker, a note stating that "the bearer of this credential is *not* in the employ of the Board of Election Commissioners nor the County Court," and that the document was issued only as a matter of courtesy. "Courtesy" meant that when these public-spirited watchers were thrown out of the polling places, in some instances—not all—it was done politely. That the partisan forces of corruption who legally control the polls had been informed in advance of the trick was indicated by the promptness with which they acted. That evening The Daily News announced: "Chicago Casts Most Crooked Vote in History. Every Shrewd Trick from Illegal Political Bag Is Played. Violence and Fraud." Jarecki and Courtney seem to have defaulted completely. It remains to be seen whether the sense of humor for which Chicago is noted in civic matters will triumph over indignation, and the citizens who were made the victims of their honest intentions will merely shrug shoulders and remark, "Well, Jarecki pulled a fast one." In that case they will accept one of the most serious defeats in Chicago's history.

THE NEW REPUBLIC

PUBLISHED WEEKLY AND COPYRIGHT, 1936, IN THE U. S., BY THE NEW REPUBLIC, INC., 40 EAST 49TH STREET, NEW YORK CITY. BRUCE BLIVEN, PRESIDENT, DANIEL MEBANE, TREASURER.

EDITORS

BRUCE BLIVEN MALCOLM COWLEY R. M. LOVETT
GEORGE SOULE STARK YOUNG

CONTRIBUTING EDITORS

HAMILTON BASSO H. N. BRAILSFORD JOHN DEWEY
JOHN T. FLYNN WALDO FRANK E. C. LINDEMAN
W. P. MANGOLD R. G. TUGWELL LEWIS MUMFORD
JONATHAN MITCHELL

RATES: SINGLE COPIES, FIFTEEN CENTS; YEARLY SUBSCRIPTION, FIVE DOLLARS; CANADIAN, FIVE DOLLARS AND FIFTY CENTS; FOREIGN, SIX DOLLARS; THREE MONTHS' TRIAL, ONE DOLLAR.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Almost Thirty[1]

IN 1906 I went up to Harvard almost alone, knowing hardly a soul in the University. My college class entered over seven hundred strong, and for the first three months it seemed to me, going around to lectures and meetings, as if every one of the seven hundred had friends but me. I was thrilled with the immensity of Harvard, its infinite opportunities, its august history and traditions—but desperately lonely. I didn't know which way to turn, how to meet people. Fellows passed me in the Yard, shouting gayly to one another; I saw parties off to Boston Saturday night, whooping and yelling on the back platform of the street car, and they passed hilariously singing under my window in the early dawn. Athletes and musicians and writers and statesmen were emerging from the ranks of the class. The freshman clubs were forming.

And I was out of it all. I "went out" for the college papers, and tried to make the freshman crew, even staying in Cambridge vacations to go down to the empty boat-house and plug away at the machines—and was the last man kicked off the squad before they went to New London. I got to know many fellows to nod to, and a very few intimately; but most of my friends were whirled off and up into prominence, and came to see me no more. One of them said he'd room with me sophomore year—but he was tipped off that I wasn't "the right sort" and openly drew away from me. And I, too, hurt a boy who was my friend. He was a Jew, a shy, rather melancholy person. We were always together, we two outsiders. I became irritated and morbid about it—it seemed I would never be part of the rich splendor of college life with him around—so I drew away from him. . . . It hurt him very much, and it taught me better. Since then he has forgiven it, and done wonderful things for me, and we are friends.

My second year was better. I was elected an editor of two of the papers, and knew more fellows. The fortunate and splendid youths, the aristocrats who filled the clubs and dominated college society, didn't seem so attractive. In two open contests, the trial for editor of the college daily paper and that for assistant manager of the varsity crew, I qualified easily for election; but the aristocrats blackballed me. However, that mattered less. During my freshman year I used to *pray* to be liked, to have friends, to be popular with the crowd. Now I had friends, plenty of them; and I have found that when I am working hard at something I love, friends come without my trying, and stay; and fear goes, and that sense of being lost which is so horrible.

From that time on I never felt out of it. I was never popular with the aristocrats; I was never elected to any clubs but one, and that one largely because of a dearth of members who could write lyrics for the annual show. But I was on the papers, was elected president of the Cosmopolitan Club, where forty-three nationalities met, became manager of the Musical Clubs, captain of the water-polo team, and an officer in many undergraduate activities. As song-leader of the cheering section, I had the supreme blissful sensation of swaying two thousand voices in great crashing choruses during the big football games. The more I met the college aristocrats, the more their cold, cruel stupidity repelled me. I began to pity them for their lack of imagination, and the narrowness of their glittering lives—clubs, athletics, society. College is like the world; outside there is the same class of people, dull and sated and blind.

Harvard University under President Eliot was unique. Individualism was carried to the point where a man who came for a good time could get through and graduate without having learned anything; but on the other hand, anyone could find there anything he wanted from all the world's store of learning. The undergraduates were practically free from control; they could live pretty much where they pleased, and do as they pleased—so long as they attended lectures. There was no attempt made by the authorities to weld the student body together, or to enforce any kind of uniformity. Some men came with allowances of fifteen thousand dollars a year pocket money, with automobiles and servants, living in gorgeous suites in palatial apartment houses; others in the same class starved in attic bedrooms.

All sorts of strange characters, of every race and mind, poets, philosophers, cranks of every twist, were in our class. The very hugeness of it prevented any one man from knowing more than a few of his classmates, though I managed to make the acquaintance of about five hundred of them. The aristocrats controlled the places of pride and power, except when a democratic revolution, such as occurred in my senior year, swept them off their feet; but they were so exclusive that most of the real life went on outside their ranks—and all the intellectual life of the student body. So many fine men were outside the charmed circle that, unlike most colleges, there was no disgrace in not being a "club man." What is known as "college spirit" was not very powerful; no odium attached to those

[1] This is the second section of a hitherto unpublished essay that J. B. Reed wrote in 1917, shortly before sailing for Russia on a

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

was talk of the world, and daring thought, and intellectual insurgency; heresy has always been a Harvard and a New England tradition. Students themselves criticized the faculty for not educating them, attacked the sacred institution of intercollegiate athletics, sneered at undergraduate clubs so holy that no one dared mention their names. No matter what you were or what you did—at Harvard you could find your kind. It wasn't a breeder for masses of mediocrely educated young men equipped with "business" psychology; out of each class came a few creative minds, a few scholars, a few "gentlemen" with insolent manners, and a ruck of nobodies. . . . Things have changed now. I liked Harvard better then.

Toward the end of my college course two influences came into my life, which had a good deal to do with shaping me. One was contact with Professor Copeland, who, under the pretense of teaching English composition, has stimulated generations of men to find color and strength and beauty in books and in the world, and to express it again. The other was what I call, for lack of a better name, the manifestation of the modern spirit. Some men, notably Walter Lippmann, had been reading and thinking and talking about politics and economics, not as dry theoretical studies, but as live forces acting on the world, on the University even. They formed the Socialist Club, to study and discuss all modern social and economic theories, and began to experiment with the community in which they lived.

Under their stimulus the college political clubs, which had formerly been quadrennial mushroom growths for the purpose of drinking beer, parading and burning red fire, took on a new significance. The Club drew up a platform for the Socialist Party in the city elections. It had social legislation introduced into the Massachusetts Legislature. Its members wrote articles in the college papers challenging undergraduate ideals, and muckraked the University for not paying its servants living wages, and so forth. Out of the agitation sprang the Harvard Men's League for Women's Suffrage, the Single Tax Club, an Anarchist group. The faculty was petitioned for a course in socialism. Prominent radicals were invited to Cambridge to lecture. An open forum was started, to debate college matters and the issues of the day. The result of this movement upon the undergraduate world was potent. All over the place radicals sprang up, in music, painting, poetry, the theatre. The more serious college papers took a socialistic, or at least progressive tinge. Of course all this made no ostensible difference in the look of Harvard society, and probably the clubmen and the athletes, who represented us to the world, never even heard of it. But it made me, and many others, realize that there was something going on in the dull outside world more thrilling than college activities, and turned our attention to the writings of men like H. G. Wells and Graham Wallas, wrenching us away from the Oscar Wildean dilettantism that had possessed undergraduate littérateurs for generations.

After college Waldo Peirce and I went abroad as "bull-pushers" on a cattle-boat, for a year's happy-go-lucky wandering. Waldo rebelled at the smells and the ship's company, and jumped overboard off Boston Light, swimming back to shore and later taking the "Lusitania" to Liverpool; meanwhile, I was arrested for his murder, clapped in irons and brought before an Admiralty court at Manchester, where Waldo turned up in the nick of time. I tramped down across England alone, working on farms and sleeping in haymows, meeting Peirce in London again. Then we hoofed it to Dover and tried to stow away on a Channel steamer for France—and got arrested in Calais, of course. Separating, we went through northern France on foot, to Rouen and Paris, and started on a wild automobile trip through Touraine to the Spanish border, and across; and I proceeded into Spain alone, having adventures. I spent the winter in Paris, with excursions around the country, letting it soak in. Then I came home to America to settle down and make my living.

Lincoln Steffens recommended me for a job on The American Magazine, where I stayed three years, reading manuscripts and writing stories and verses. More than any other man Lincoln Steffens has influenced my mind. I met him first while I was at Harvard, where he came loving youth, full of understanding, with the breath of the world clinging to him. I was afraid of him then—afraid of his wisdom, his seriousness, and we didn't talk. But when I came back from France I told him what I had seen and done, and he asked me what I wanted to do. I said I didn't know, except that I wanted to write. Steffens looked at me with that lovely smile: "You can do anything you want to," he said; and I believed him. Since then I have gone to him with my difficulties and troubles, and he has always listened while I solved them myself in the warmth of his understanding. Being with Steffens is to me like flashes of clear light; it is as if I see him, and myself, and the world, with new eyes. I tell him what I see and think, and it comes back to me beautiful, full of meaning. He does not judge or advise—he simply makes everything clear. There are two men who give me confidence in myself, who make me want to work, and to do nothing unworthy—Copeland and Steffens.

New York was an enchanted city to me. It was on an infinitely grander scale than Harvard. Everything was to be found there—it satisfied me utterly. I wandered about the streets, from the soaring imperial towers of down-town, along the East River docks, smelling of spices and the clipper ships of the past, through the swarming East Side—alien towns within towns—where the smoky flare of

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

shabby streets; coming upon sudden shrill markets, dripping blood and fish-scales in the light of torches, the big Jewish women bawling their wares under the roaring great bridges; thrilling to the ebb and flow of human tides sweeping to work and back, west and east, south and north. I knew Chinatown, and Little Italy, and the quarter of the Syrians; the marionette theatre, Sharkey's and McSorley's saloons, the Bowery lodging houses and the places where the tramps gathered in winter; the Haymarket, the German Village, and all the dives of the Tenderloin. I spent all one summer night on top of a pier of the Williamsburg Bridge; I slept another night in a basket of squid in the Fulton Market, where the red and green and gold sea things glisten in the blue light of the sputtering arcs. The girls that walk the streets were friends of mine, and the drunken sailors off ships new-come from the world's end, and the Spanish longshoremen down on West Street.

I found wonderful obscure restaurants, where the foods of the whole world could be found. I knew how to get dope; where to go to hire a man to kill an enemy; what to do to get into gambling rooms, and secret dance halls. I knew well the parks, and the streets of palaces, the theatres and hotels; the ugly growth of the city spreading like a disease, the decrepit places whence life was ebbing, and the squares and streets where an old, beautiful leisurely existence was drowned in the mounting roar of the slums. I knew Washington Square, and the artists and writers, the near-Bohemians, the radicals. I went to gangsters' balls at Tammany Hall, on excursions of the Tim Sullivan Association, to Coney Island on hot summer nights. . . . Within a block of my house was all the adventure of the world; within a mile was every foreign country.

In New York I first loved, and I first wrote of the things I saw, with a fierce joy of creation—and knew at last that I could write. There I got my first perceptions of the life of my time. The city and its people were an open book to me; everything had its story, dramatic, full of ironic tragedy and terrible humor. There I first saw that reality transcended all the fine poetic inventions of fastidiousness and medievalism. I was not happy or well long away from New York . . . I am not now, for that matter; but I cannot live continually in its heart any more. In the city I have no time for much but sensation and experience; but now I want some time of quiet, and leisure for thought, so I can extract from the richness of my life something beautiful and strong. I am living now in the country, within an hour of town, so I can go down occasionally and plunge into the sea of people, the roaring and the lights—and then come back here to write of it, in the quiet hills, in sunshine and clean wind.

Back from Soviet Russia, in 1918, John Reed worked furiously on his book, "Ten Days That Shook the World." In a speech in Moscow before leaving (see opposite page) he had promised to bring to American workers the story

During this time I read a good deal of radical literature, attended meetings of all sorts, met socialists, anarchists, single-taxers, labor-leaders, and besides, all the hair-splitting Utopians and petty doctrine-mongers who cling to skirts of Change. They interested me, so many different human types; and the livingness of theories which could dominate men and women captivated my imagination. On the whole, ideas alone didn't mean much to me. I had to see. In my rambles about the city I couldn't help but observe the ugliness of poverty and all its train of evil, the cruel inequality between rich people who had too many motor cars and poor people who didn't have enough to eat. It didn't come to me from books that the workers produced all the wealth of the world, which went to those who did not earn it.

The Lawrence strike of the textile workers had just ended, and the I.W.W. dominated the social and industrial horizon like a portent of the rising of the oppressed. That strike brought home to me hard the knowledge that the manufacturers get all they can out of labor, pay as little as they must, and permit the existence of great masses of the miserable unemployed in order to keep wages

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

of property against the propertyless. Our Socialist Party seemed to me duller than religion, and almost as little in touch with labor. The Paterson strike broke out. I met Bill Haywood, Gurley Flynn, Tresca and the other leaders; they attracted me. I liked their understanding of the workers, their revolutionary thought, the boldness of their dream, the way immense crowds of people took fire and came alive under their leadership. Here was drama, change, democracy on the march made visible—a war of the people. I went to Paterson to watch it, was mistaken for a striker while walking the public street, beaten by the police and jailed without any charge. In the jail I talked with exultant men who had blithely defied the lawless brutality of the city government and gone to prison laughing and singing. There were horrors in that jail too; men and boys shut up for months without trial, men going mad and dying, bestial cruelty and disease and filth—and all for the poor. When I came out I helped to organize the Pageant of the Paterson Strike, in Madison Square Garden, New York, drilling a thousand men and women in Paterson and bringing them across New Jersey to act out, before an immensely moved audience of twenty thousand people, the wretchedness of their lives and the glory of their revolt.

Since then I have seen and reported many strikes, most of them desperate struggles for the bare necessities of life; and all I have witnessed only confirms my first idea of the class struggle and its inevitability. I wish with all my heart that the proletariat would rise and take their rights—I don't see how else they will get them. Political relief is so slow to come, and year by year the opportunities of peaceful protest and lawful action are curtailed. But I am not sure any more that the working class is capable of revolution, peaceful or otherwise; the workers are so divided and bitterly hostile to each other, so badly led, so blind to their class interest. The War has been a terrible shatterer of faith in economic and political idealism. And yet I cannot give up the idea that out of democracy will be born the new world—richer, braver, freer, more beautiful. As for me, I don't know what I can do to help—I don't know yet. All I know is that my happiness is built on the misery of other people, that I eat because others go hungry, that I am clothed when other people go almost naked through the frozen cities in winter; and that fact poisons me, disturbs my serenity, makes me write propaganda when I would rather play—though not so much as it once did.

I quit my job to work on the Pageant, and when it was all over I went to pieces nervously, and friends took me abroad for the summer. The strike was starved and lost, the men went back to work dispirited and disillusioned, and the leaders, too, broke down under the long strain of the fight. The I.W.W. itself seemed smashed—indeed it has never

The two illustrations by Lynd Ward are reproduced from "One of Us: The Story of John Reed," by permission of the publishers, the Equinox Coöperative Press.

Italy, and came back to New York weak and despondent. For six months I did almost nothing. And then, through the interest of Lincoln Steffens, The Metropolitan Magazine asked me to go to Mexico as war correspondent, and I knew that I must do it.

Villa had just captured Chihuahua when I got to the border, and was getting ready to move on Torreon. I made straight for Chihuahua, and there got a chance to accompany an American mining man down into the mountains of Durango. Hearing that an old half-bandit, half-general was moving to the front, I cut loose and joined him, riding with a wild troop of Mexican cavalry two weeks across the desert, seeing battle at close range, in which my companions were defeated and killed, and fleeing for my life across the desert. I joined Villa then in his march on Torreon, and was in at the fall of that stronghold.

Altogether I was four months with the Constitutionalist armies in Mexico. When I first crossed the border deadliest fear gripped me. I was afraid of death, of mutilation, of a strange land and strange people whose speech and thought I did not know. But a terrible curiosity urged me on; I felt *had to know* how I would act under fire, how I

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

And I discovered that bullets are not very terrifying, that the fear of death is not such a great thing, and that the Mexicans are wonderfully congenial. That four months of riding hundreds of miles across the blazing plains, sleeping on the ground with the *hombres,* dancing and carousing in looted haciendas all night after an all-day ride, being with them intimately in play, in battle, was perhaps the most satisfactory period of my life. I made good with these wild fighting men, and with myself. I loved them and I loved the life. I found myself again. I wrote better than I have ever written.

Then came the European War, to which I went as correspondent, spending a year and a half traveling in all the belligerent countries and on the front of five nations in battle. In Europe I found none of the spontaneity, none of the idealism of the Mexican revolution. It was a war of the workshops, and the trenches were factories turning out ruin—ruin of the spirit as well as of the body, the real and only death. Everything had halted but the engines of hate and destruction. European life, that flashed so many vital facets, ran in one channel, and runs in it now. There seems to me little to choose between the sides; both are horrible to me. The whole Great War is to me just a stoppage of the life and ferment of human evolution. I am waiting, waiting for it all to end, for life to resume so I can find my work.

In thinking it over, I find little in my thirty years that I can hold to. I haven't any God and don't want one; faith is only another word for finding oneself. In my life as in most lives, I guess, love plays a tremendous part. I've had love affairs, passionate happiness, wretched maladjustments; hurt deeply and been deeply hurt. But at last I have found my friend and lover, thrilling and satisfying, closer to me than anyone has ever been. And now I don't care what comes. JOHN REED.

Why the Great Bull Market?

IT IS becoming evident that divergent interpretations of the great stock rise will constitute one of the major issues in the imminent presidential campaign and may even provide some of its expected "dirt." Our sagacious political economist, Mr. James J. Farley, is already volubly acclaiming the bull market as the conclusive proof of abounding Democratic prosperity. On the other hand, the titular leader of the Republican Party, the now caustic Mr. Hoover, terms the great rise "fictitious" and the very unfortunate result of Mr. Roosevelt's money-juggling proclivities. According to the latter view, the bull movement has no relevance to business or logical economic phenomena, but is motivated by panicky flight from the uncertain Roosevelt dollar. Although the squabbling of electioneering political protagonists is not of great economic significance, these interpretations do represent the community's prevalent mental confusion.

It is of the utmost importance that we as a nation take the complex speculative situation out of politics and analyze its elements dispassionately, objectively and logically. If we can determine the underlying long-term factors in our economy that instigate booms, we will be in a position to discard the policies that bring forth recurrent speculative earthquakes and catastrophic collapses of our financial structure.

Eliminating wishful thinking and other extraneous elements from consideration of the present securities market, what do we find? That prices today stand at a level which is without a semblance of logical economic justification is indisputable. Market averages have reached their highest point [illegible] three-million-share days and the churning about of individual pool favorites in tremendous sales volume. The rise has gone on without serious interruption since March, 1935. During this period stocks listed on the New York Stock Exchange alone have increased in market value from $32,000,000,000 to $51,000,000,000, or by nearly 60 percent, and the New York Times average of 50 stocks has risen from 78 to 125. Market doings are again hot news. Such ordinarily restraining influences as dividend yields, earnings and elements of risk have given way to tips, hunches and glamorous "prospects." New variations of pool operations in addition to the familiar distribution "jiggles" of yore are rampant. Blue chips as well as cats and dogs have been whirled up to price levels that are wholly unjustifiable by logical investment standards.

It is true that industrial production and profits have increased appreciably since 1933 (although since the beginning of the present year production and general business activity have reacted markedly). But it is quite evident that stock prices have far outrun business improvement. In the face of a decline of 27 percent in business since December last, which is shown in the New York Herald Tribune Index of Production, common stocks concurrently rose by 8 percent. Complete divergence of stock prices and business factors over the longer term is definitely proved by price-earnings ratios—that is, by the ratio between the price of a stock and its annual earnings per share. When all the industrial and financial vicissitudes that may befall the stockholder are taken into account, surely a commitment at a price that is ten or fifteen times earnings [illegible] little enough compensation for his risk

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

But today the market has outrun business improvement to such an extent that many stocks are actually selling at 30 and 40 times even the increased earnings per share. In fact, in relation to earnings and asset value, the prices of a large number of stocks in such industries as electric boat-building, auto-accessory, chemical, radio, movie and aviation are fully as high as they were in the unlamented "New Era" of the twenties, whose dying fade-out gasp was "never again." The only phase of this fervently made resolution that has been observed is the avoidance of vast lending on collateral by banks and brokers; the present bull market has been financed principally through cash purchases. But an inference of soundness on the basis of the preponderance of non-marginal purchases constitutes a complete misinterpretation of the real facts. Actually, as we shall see, the predominating use of cash definitely has not prevented the introduction of large-scale inflation into the situation.

In inquiring into the extra-industrial forces motivating our vast bull market, let us first examine the fear-of-the-currency theory which is now being espoused by Mr. Hoover and by many market commentators. This interpretation attempts to explain the enormous securities rise on the ground that the owner of money has become so frightened by the administration's past and prospective acts in manipulating the purchasing power of the monetary unit that he is fleeing into the available instruments of property ownership—including stock equities—to preserve his capital wealth. This was a familiar accompaniment of past periods of currency inflation in Germany and France.

The foremost fact conclusively controverting this rationalization of our bull market is the past and present action of bond prices. The prevalence of widespread distrust of the dollar would obviously cause a flight from fixed-income obligations just as certainly as from the dollar itself. One who distrusts the dollar likewise distrusts securities whose interest and principal are payable in a fixed number of dollars. What then is the pertinent evidence furnished by the bond market?

Amazingly enough, instead of evidencing a shift from bonds to stocks, the action of the high-grade bond market has closely paralleled the advance in stocks. The steady rise in government bonds actually began back in 1933. When this administration started its money tinkering between March and September of that year the Federal Reserve Board average of fifteen government-bond issues advanced from 101 to 103. The New York Times average of forty leading bonds rose from 60 in April to 80 by the end of 1933. Even in the case of public-utility bonds, whose economic position was additionally vulnerable to the injurious influence of increasing taxes, lower rates and higher costs, an advance of 20 percent actually occurred. And ever since 1933, despite all th

discussion there has been, the high-grade bond market has—confoundingly enough—forged steadily upward to record heights.

Since 1933 the New York Times bond average has risen from 60 to a presently attained high of 88; during this "monetary devaluation period" even railroad bonds have risen from an average price yielding 5.37 percent to the present price, showing a yield of but 3.6 percent. Long-term government issues currently sell at prices to yield but 2½ percent. The Standard Statistics Index of sixty high-grade bonds has recently reached the highest level since it was initiated at the turn of the century. Triple-A bonds are now actually selling at levels just as fantastic as are stocks. When long-term unsecured debenture bonds of speculative industrial enterprises such as movie companies as well as shaky railroads sell to yield less than four percent; when state issues—like New York's, whose legislature has proposed the omission of interest charges from its budget—sell on a two-percent basis; when second-grade municipal obligations sell to yield less than three percent, the bond investor is necessarily in a "heads-you-win-tails-I-lose" situation with everything to lose and nothing to gain. The bondholder's position is relatively as precarious as is that of the stock-buyer. Thus, the demonstrated performance of the first-grade bond market conclusively proves that a factor other than currency-fear has acted as the controlling influence on both bonds and stocks in the present bull market.

The absence of monetary depreciation and of possible currency inflation as a predominating influence over the community's financial policies is also proved by the recent behavior of commodity prices. In periods of monetary distrust, capital flees into commodities and a sharp rise in their prices results. But although commodity prices have risen from their 1933 record lows, during the past year of great price appreciation in securities they have either remained practically stationary or declined. Following is a comparative table of some representative commodity prices:

	April, 1936	April, 1935
Wheat	1.08	1.10
Corn	.77	1.02
Rye	.66	.71
Oats	.39	.61
Eggs	.19	.23
Copper	.09¼	.09
Tin	.47	.49
Cotton	.1156	.1140

The Annalist Wholesale Price Index currently stands at 115 compared with 114 a year ago. The absence of flight into commodities, thus evidenced, further proves that general monetary distrust is not acting as the predominant speculative factor.

If Mr. Hoover and his school are in error in ascribing the bull market to fear of currency infla-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

business prosperity, what is actually the mainspring of the present bull market in securities? The answer is found in the relatively simple process of supply-and-demand factors—an enormously increased quantity of money mopping up an unusually limited supply of securities.

Ever since the outbreak of the World War, an arbitrarily created oversupply of industrially unneeded and uncontrolled credit has, at periodic intervals, poisoned the nation's financial system. In the nineteen-twenties, central-bank policies provided the funds for a succession of commodity, real-estate and securities booms. In the present thirties our monetary management—although practised in a changed manner—has resulted in the instigation of another dangerously inflated national speculative movement. The burnt child is keeping away from the same stove, but not from the fire.

Since 1933 an enormous supply of money and credit has been pumped out as a result of government policies concerning imports of gold, purchases of silver, Federal Reserve holdings of government bonds, and as a consequence of financing the continuing federal deficit by stuffing it into the banking system rather than through bona-fide sales to individual investors. As a consequence, since the end of 1933 demand deposits of member banks have increased from $12,994,000,000 to $19,559,000,000, or by 50.8 percent, the rise during the past year having been two and one-half billions. This increase in deposits and purchasing power resulting from deficit-financing constitutes pure and uncontrollable inflation. There being no legitimate commercial or industrial demand for the money, it has found an outlet in the securities markets, where the otherwise unemployable funds are mopping up the available issues at progressively higher prices. Excess bank reserves recently reached a peak of three and a quarter billion dollars, compared with a maximum of but two hundred millions serving as the stimulus of the pre-1929 jamboree. These idle reserve funds can cause a further deposit expansion of thirty billions. Unbalance in the supply-and-demand equation is further accentuated by the abnormally low demand for new capital through security issues; of the $2,667,000,000 of new securities issued in 1935, over 93 percent of the capital thus raised was devoted to paying off previously outstanding obligations.

In addition to the inflation of securities prices which has been caused by the oversupply of money, another factor in the form of governmental manipulation of interest rates and yields has likewise compelled national engagement in speculative policies. The arbitrary dictation of low interest rates means artificially high prices of securities. At present much borrowed money is virtually made to order "on government specifications." When Mr. Jesse Jones of the R.F.C. arbitrarily forces a rate of four percent on a new speculative railroad bond issue, it becomes the ruling one for comparable issues throughout the entire market.

Interest on savings has well-nigh disappeared; the individual is unable to get an appreciable return on either his commercial or savings-bank deposits. Owners of money that has lost its rental value therefore necessarily abandon ordinary standards of investment appraisal in seeking an outlet for their capital. The oversupply of money has demolished the sound business and investment standards that ordinarily govern the decisions of investors and is poisoning the judgment of all security-holders. Countless holders of stocks or bonds selling at dizzy heights clearly exemplify the situation in saying: "I realize that my security is too high, but I cannot sell because I cannot possibly get a return on the proceeds." The arbitrary extinction of interest rates and the creation of a huge surplusage of unemployable funds, in functioning as the real forces inflating the stock market, are directly vitiating the regulatory efforts of the S.E.C. and making a joke of its self-avowed purpose to turn us into "a nation of investors." The administration, in forcing even the would-be investor to make his commitments on a highly speculative basis, is in reality unwittingly re-creating a nation of gamblers.

In conclusion, it should be realized that the broad significance of the present securities performance transcends criticism of a specific federal administrative policy and quibbling over the responsibility therefor. The present securities inflation rather seems illustrative of basic flaws in our general politico-economic technique. Our national financial policy has consisted of self-conflicting pot-shots of governmental interference. In the present instance the government has shot off on the disjointed tangent of vigorous credit expansion without providing the complementary measures that are indispensable to the preservation of balance in the situation. The government's right arm of monetary expansion is directly overcoming the efforts of its left arm of S.E.C. speculative control. Thus we have interjected haphazard planning into one circumscribed part of the financial structure without being willing to go the whole hog of conducting an inclusive and carefully considered planned economy; we are vainly attempting to carry on with a self-contradictory hodge-podge consisting of both management and laissez-faire.

The eventual restoration of certain of the traditional elements of a laissez-faire economy—such as a natural interest rate and an uninflated money supply—will no doubt terminate the current speculative jig and cause a holocaustic deflation of the securities structure. At that time the central government will be compelled to make a basic decision whether it will permit the structure to collapse without interfering or, on the other hand, whether it will attempt to "freeze" the precarious situation through measures of federal subsidy or guarantee. Under

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

gencies of the situation, it is certain that the first-mentioned rigors of an uncontrolled deflation will never be voluntarily chosen. Instead, the financial storm will be temporarily weathered by the renewed utilization of "emergency" bailing out and "rescue" processes, the beneficiaries of such federal aid being chosen in accordance with the dictates of political expediency. In other words, initial engagement in ill considered and disjointed meddling by the central government increasingly breeds the subsequent necessity for taking additional misdirected steps of ineffective interference. Thus are we building an economy of increasing confusion and mismanagement.

A. WILFRED MAY.

Russian Idyls[1]

THE Troitsk-Sergievsk Monastery. It was founded by a saint of the fourteenth century and, up to the Revolution, had been the principal Mecca of pilgrimage. Also, I was told, a place, like Fontainebleau, to which lovers on a holiday used to come.—The Bolsheviks have cleaned out the priests and the monks, and now it is as empty as Carcassonne. They have even renamed the railroad station and have taken out the seats—I suppose to make it uninviting.

Miry road up the hill past the dilapidated droshkies. Then the rainbow delirium of the monastery appears, rising out of the irregular green countryside under the rain-gray sky, like a mirage of the Arabian Nights: blue and gold, red and yellow and pink, a grove of blue phallic spires painted with golden stars. Halfway to Asia here.

We went to a little green hotel, which seemed to me the oldest and poorest and most primitive place of the kind in which I had ever been. We had to pay for a room for a day—which, to be sure, was not very much—in order to get a place by ourselves to eat the picnic lunch we had brought with us. There was a little narrow bed and a colorless dirty couch full of holes from which the straw was sticking out. We laughed about it, sent for a samovar, had vodka, bread and butter, sausage and hard-boiled eggs, looking out on the monastery walls and the muddy street of the village. Then just as the samovar arrived, they told us the museum closed at four, so we left the tea and hurried out to see it.

As we walked up the hill, past a booth for beer with a sign that said "American Bar," the little kids in the street, seeing city clothes, shouted after us: "Moscow! Moscow!"

The monastery made upon me an overpowering and nightmarish impression. All this Byzantine stuff is so new to me that I am drawn out of my sightseer's detachment and lose myself in it completely.—Uncomfortable combination of the cruel and the ugly with the pretty and sentimental; Coney Island full of torture chambers and charnel-houses. The Metropolitan's palace: he had a private shrine in his bedroom and little angels painted on the ceiling that look exactly like Renaissance cupids. In another room, there are horrible pictures of flogings and executions by landlords of the old regime and a model of a peasant's *izba* to offset the glamor of the palace. Heavy clumsy gaudy jeweled miters; ikons embroidered on tapestry in amethysts and pearls—including one which had occupied for years one of the wives of Ivan the Terrible, after he had sent her into seclusion; a great storeroom full of vestments, as varied and gorgeous as women's gowns, carefully put away on hangers and smelling strongly of moth balls; a gigantic carved wooden wine-boat used by the bibulous prelates, on one end of which a kind of wild dog buries his teeth in the neck of a boar while at the other the curving body of an insect-like monster makes the handle. A red and white church in five tiers, given by Catherine the Great, with a long straight stiff square steeple not much less thick than the church. Frivolous diamonded walls in yellows and browns and blues, with spiral columns twined with painted vine-leaves. A little kiosk for holy water, as fancy as Russian pastry: pink cream, domy crust, pillars like twisted rolls; and adorned with cupid-cherubim's faces. Ignoble old tomb of the Godunov tsars in terrible disrepair: somebody has broken a hole under one corner of the big marble lid—I suppose, out of simple curiosity; but there is nothing to be seen inside except dirt. It seems that they moved them out here because they were not true Ruriks, and therefore didn't rate the Kremlin (so I note that, whereas the Lenin Institute and the Marx and Engels Institute are right in the heart of Moscow, the Plekhanov Institute is a separate thing way off on the outskirts of the city). The big church behind the tomb is now used to store cabbages and other vegetables: it keeps them cool in summer. Church built by Ivan the Terrible to expiate the murder of his son, he had these alternations of piety with crime: painted all over inside with pictures of pink angels and saints that cover even the thimble-cups of the domes. These angels with six wings give me the willies; and I cannot like the Greek Orthodox ikons, even the ones, like those of Rublev, which are good. The early ones are so knotted and cramped, their gray eyes so anguished and so broken to anguish, their souls so tensely contracted. There is nothing of Fra Angelico here; they shed forth no human tenderness. And the later ones are saccharine

[1] This is the fourth of a series of articles on Soviet Russia.—THE EDITORS

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Sergius, now a museum-exhibit like another: an old woman who has come in behind us shakes her head and rolls up her eyes, aghast at the desecration.

When we came out, I felt disquieted and rather disgusted. E—— said that it had made her sad "to think that people had believed all that" and that now it was as dead as the Delphic oracle.

We went back to our little room and took up the tea where we had left it—also, the bread and butter, the sausage, the eggs and the vodka. We talked about the past and the future. They had cut themselves loose from the past and they didn't yet have the future, for which they had worked so hard. "Come!" said M——. "We have this little room, this vodka, this bread, this sausage, this view of the old monastery—these are *now!*" I gazed out the window, full of contentment. The sun had unexpectedly come out: the sky was for Russia quite blue and the smallish white clouds were bright. Against them, an onion-topped spire pierced the clear air; and below it, a red roof and a red fence set off in vivid white a low building with one row of square windows. A little gray foal with shaky legs came trotting down the sloping cobbled street in front of a horse and cart. Then came a queer open carriage, very dirty and rickety-looking, driven by a little boy, and with a lot of other little boys in a whole sequence of seats behind him. I asked M—— what it was, and he said it was a charabanc and slipped into a popular song:

"Ekh, sharaban, da, sharaban,
Ne budet deneg—tebya prodam!
Ekh, sharaban,
Da, trogai, trogay!
A ya poydu
Svoey dorogoy!"

("Ah, charabanc, yes, charabanc,
If the money gives out, I must sell you!
Ah, charabanc,
Get along with you, giddap!
And as for me,
I'll go my own road!")

They had sung it, he said, during the Civil Wars. It sounded older than that: the tune was like "Fair Evalina."

—How sweet the charabanc, the song, the little foal, the children, the sausage, our company drinking to the present—seemed after the miters and the tortured saints!

—The train going back was crowded. We thought we were very lucky to get into a little shut-off apartment. But it turned out to belong to the conductor, who appeared and made us leave. She said she had to have it to herself, as she had been on the train five days. L—— squeezed in on one of the benches, and presently the old woman sitting next to her fell asleep and toppled over on her shoulder. Later, when there was room on another bench for all of us to sit down together, L—— couldn't come over to join us because she didn't want glancing toward us and looking down at the head of the old woman, which tranquilly reposed on her bosom.

Free Day: rowing on the river. It was a delightful little river curling through the even green countryside, almost level with the grassy banks. On one side of the stream there were meadows, which stretched away to vague farms in the distance. The other side was lined with bushes, and there people were going in swimming. They wore very few clothes or none. The Russians are funny about this. At the *dacha* from which we had started, it was considered extremely improper to put bathing suits on in the house and then walk to the river in them. It was evidently some ancient convention dating back, no doubt, to the era when women wore bathing-stockings. Wearing bathing suits around the house was something, I was told, which was only done in summer resorts by the sea. What you were supposed to do here was to go down in your clothes to the river and get undressed in broad daylight on the bank, laying your clothes in the grass, which was always very wet from the last shower. Then you would put on bathing suits if you had them or, if not, just go in naked. The different parties of bathers would usually make an effort to get a certain distance away from one another; but there were so many people today that this had become impossible, and the occasional gestures of modesty—the trunks and the brassières—had a perfunctory look, slightly comic.

And the people looked much better without their clothes: Moscow clothes at the present time are so much the same and so dreary that, in order to appreciate the Moscovites, you really have to see them nude: blond girls with white skin, thick round legs and marvelous big round breasts, who would flop off into the water like turtles; shaved-headed boys burned brown, with white bottoms where they had been protected by bathing trunks before they decided not to bother with them any more. The Russians around this part of the country have never really learned to swim—I suppose they are learning it now, along with other kinds of outdoor sport; but they were having a very good time. One man had put up a pup-tent; another had a shack on a cliff, and the people in passing rowboats were bantering him; another, with nothing but a jock-strap, was practising "physcultur" all by himself in a field. A fisherman, short and fat, fished heavily and inexpertly; an elderly man and woman were sitting on some kind of box, facing away from one another and both reading the Moscow papers. A girl in a boat that passed us suddenly blew a toy whistle—which startled me: this kind of thing, which Americans do on all occasions, is so very rare around Moscow. But she was a Russian and did it only at long intervals—meditatively, as it were.—We watched the Vladivostok Express, very trim for a Russian train, crossing the railroad bridge and toot-

LICENSED TO UNZ.ORG ELECTRONIC REPRODUCTION PROHIBITED

We went on past a beautiful herd of white goats which was grazing on the side where the meadows were, and came finally to falls and a dam which prevented us from going any further. We landed and pulled the boat up on the bank and stretched out on a fallen tree, taking the sun in our bathing suits. There were crows and pies in the air; the birch leaves were light as fuzz. My companion called my attention to some slight almost weedlike trees which were wry and leaning askew. In that landscape, so gentle and level, even such slight distortions showed almost wildly grotesque. Presently it began to rain, as it always did at some time every day, and we decided to go in the water during the shower. There was a rudimentary landing of planks which had been built by the workers of a textile factory a little way back from the river; and we would plunge off this and climb back and run around, trying to keep warm. When the shower was over and the sun came out, we went back on our log like frogs. A militiaman made his patrol in the interests of preventing scandal. But the bushes were thick and served their purpose in concealing the almost naked white couples who occasionally disappeared among them; and, in the words of a certain Moscow writer who knows English extremely well and who had been telling me about the literary censorship, "nobody was incommoded."

—Yet this day, so easy, so charming, so fresh, had a background of basic discomfort. They are beginning not to want me at the *dacha,* where they had at first entertained me with such hospitality. The other boarders had complained to my friends that they were seeing too much of a foreigner. Who was I? What was I up to? My friends weren't quite sure themselves. I found that they were coming to shy at the most commonplace questions on my part. Today, when we got back to the house, they parked me in an arbor at one side where the other boarders would not see me. I never went to the *dacha* again.

The atmosphere of fear and suspicion is really pretty oppressive. It has evidently become more tense since the Kirov assassination. A foreigner cannot talk to them about politics at all—least of all about the Kirov affair. If you venture to ask anybody about it, they either refer you to the official statements, which are certainly extremely implausible, or start to explain and then break down, protesting that it is all very difficult for a foreigner to understand. If Americans discuss these matters at a gathering where there are Russians present, the Russians pick up books and begin to read. I came away from Russia knowing almost as little of Russian politics as I had when I arrived.

Of course, it is no worse than Hollywood (though the penalties—death and deportation—are greater). Stalin and Kaganovitch are hardly more sacred names in Moscow than Schulberg and Thalberg on the Coast. And anyone who has ever observed how people full of ideas in the East are reduced to discretion and dullness as soon as they connect with their studios in Hollywood, will not be too hard on intelligent Russians who refer you to Pravda for politics. Hollywood is full of informers, too; so is Dearborn, Michigan. People are afraid to discuss communism in Los Angeles and San Francisco. You cannot talk about organizing labor in Bethlehem, Pennsylvania. And I remember that, on a visit to Washington during the happy early days of the New Deal, I noticed that people seemed nervous at pleasantries about the President or General Johnson, and that a radically disposed friend with a Washington job with whom I was walking on the street and discussing the breakdown of capitalism, turned to me and said, with an apologetic smile: "I feel that you oughn't to be saying such things."

Boris Souvarine, in his book on Stalin, has brought forward a certain amount of evidence to show that denunciation has always been a favorite weapon of Stalin's. Stalin was under suspicion in Tiflis among the Social Democrats of his own party of having betrayed a political rival to the authorities; in prison, he instigated the killing of prisoners whom he charged with being stool pigeons, but against whom nothing was actually known, etc. Certainly, he is suspicious and intolerant where Lenin, through his own sincerity and his belief in the good faith of others, created that good faith itself. Was not the young officer who came to assassinate Lenin so moved by the "kind and simple face; face and eyes smiling at me, warm with tenderness and love," that he could not bring himself to throw his hand grenade?—and did not Lenin laugh over the incident and have the man released? He afterwards worked for the Soviet government. It has been said of Lenin that he never found it necessary to break any man of ability among his political associates. Did he not induce both Stalin and Trotsky to work for him at the same time?

Again, however, it is true that it is the Russian character itself which is partly to blame for the Terror. The Russians, that is, the traditional Russians, habitually evade responsibility: they are only just beginning to learn it, as they are learning motor-driving and swimming. And they do not trust one another because they do not trust themselves. How can they ever tell in Russia, one wonders, whether any given disaster is due to sabotage or incompetence? Do the persons involved themselves always know? How much of the Ramzin trial was a fairy-tale worked up for propaganda? Was it a fairy-tale in which Ramzin himself was finally persuaded to believe? The official indictments in cases of this kind sometimes sound fantastic to foreigners. A curious example of this uncertainty is the rumor that the crash of the "Maxim Gorky" was not the result of a foolish accident, but a terrible piece of sabotage. When anything goes wrong, apparently, there is likely to be an orgy of informing, each

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

himself. The Kirov shooting was followed by six thousand deportations.

And with all this, in spite of their efforts to rationalize and humanize their punishments, they still carry over from the tsarist regime a good share of plain medieval cruelty—like the great old head-chopping bowl in Red Square used by the early tsars, which, instead of having been removed as a symbol of barbaric brutality, has simply been shifted to one side in order to make room for modern traffic when the Shrine of the Iberian Virgin has gone the way of all relics.

One night I had a curious dream which put a fine point on the matter.—Russian grammar is full of anomalies. For example, the numerals two, three and four take nouns in the genitive singular whereas numerals over four take nouns in the genitive plural. I had asked my Russian teacher why this was so, and she had replied: "What you mean why it is so? That is the way it is!" I had also asked several other Russians, and nobody ever knew. I found only one man who would even admit that there was anything illogical about it. Later, I discovered the explanation in Nevill Forbes's Oxford grammar, and the sources turned out to be so ancient, the course of development so queer (it began with a dual number and grew up with a mistake about that), as could have been possible only in Russia. (English spelling, of course, is just as irrational as Russian grammar; but, as an American, I don't feel responsible for it.)

Well, one night I had a dream in which I thought I was questioning a Russian about some such peculiarity as this. I was immediately aware that I had aroused his suspicions. He looked at me coldly and demanded: "Why do you ask questions like that?"

I had unconsciously made a connection between the antiquated language forms and the antiquated political methods which have survived in such an incongruous way all mixed up with the Marxism. The Russians are sensitive about their system just as they are sensitive about the archaic features of their language. There is no country where you can wound so easily by the kind of criticism or question which makes up in other countries the ordinary substance of conversation between interested visitors and natives. Nobody else has got socialism yet; and the Russians (unless they are very deeply imbued with the new Marxist education) can never be quite sure that this, too, isn't something queer and Russian, or that the visitor doesn't think it is. And they can never be quite sure which elements of their life are due to reprehensible Russian backwardness and which to sound Marxist doctrine.

That is a great drawback of Russia as the first socialist country. The opponents of socialism can always put down to socialism anything they find objectionable in Russia. The advocates of socialism are betrayed into defending things which are really distasteful to them and which they have no business

The Skipper Stages a Comeback

IT WAS the first of April, the day dedicated by tradition to the pursuit of folly, so J. T. Riland, veteran editor of The Woppingtonian, dropped into Elmer Durkin's news shop for a giddy whirl of tobacco and politics. The long, lean Democratic years had left their toll upon the journalist's face, but tonight there was a gleam of renewed hope in his tired eyes.

"Come back to the stove, J.T.," said Elmer, "and rest your sound old American system."

"I might give myself a little breathing spell. I feel that I have something to live for now."

The newspaper man lighted his pipe and fanned the faint sparks of hope which glowed in his breast. The dark Republican hours, he alleged, were giving place to faint streaks of dawn, the clouds were showing silver linings. Sap was rising in G.O.P. timber.

"A year ago I thought the poor old party was dead and gone, but now things are looking distinctly brighter. In fact, Elmer, I am thinking some of buying a dollar's worth of stock the National Committee is getting out."

"I always said it was a boner to bury the Grand Old Pachyderm too quick," the newsdealer said.

With this faint encouragement the publisher went on.

"We are not out of the woods yet, but the people are waking up. The reign of squander and blunder and boondoggle is nearing its end."

"You might be right, J.T., even if you *are* an editor. A bunch of voters who could give Hoover forty states, then throw into reverse and slip him only six, could hand the New Dealists the same brand of dope. They put the bee on Herby for not doing enough and they might slip F.D. the ozone for doing too much. If the customers start to total up the bloomers this outfit has pulled, the skipper could get a load of bad news on the third of November. He won't have the squawk vote on his side this frame.

"The way it looks from my knothole, he pulled us out of a bad jam and started us going places. But there are ten or twelve more billions on Uncle Sam's cuff and almost as many goofers are pounding the asphalt. Maybe we are recovering, but it is sure taking a big bag of jack to pay the recovery charge.

"That budget the chief handed Congress didn't listen so bad, but the Triple A decision and the bonus snatch made it look like a slice of Swiss cheese. It was a pipe the New Dealers would have to give the taxpayers another sock in the puss. Is that anything for a Congressman to write home and tell the folks in campaign year?"

"Heh, heh, heh," Mr. Riland sobbed bitterly.

It was now Elmer's pleasant duty to take the joy

ELECTRONIC REPRODUCTION PROHIBITED

"Still and all, that buck of yours would have looked like a better investment a little while back than it does today. The third year was the hardest for F.D.R. A lot of his best stuff was going sour on him and here were the Nine Old Boys abolishing his alphabet three letters at a crack. It got so a tender-hearted gink like me hated to see Monday roll around.

"He slid down hill like an Olympic bobsled champ. When The Digest counted noses on the New Deal, the no's had it by a walk. Yet only a year before, when Franklin wanted a mess of Democratic Congressmen, the folks chucked him 75 percent of the gross.

"You wouldn't know it for the same country. The G.O. Pests came out of their coma and emitted nationwide raspberries. There was talk of running a Chinaman against Roosevelt just to make it sporting. Some said the only way he could get yessed this year was to pull a Hitler on us and make it compulsory.

"I don't know just when the skipper hit the bottom, but the dopesters agree that he has been staging a comeback all winter. Maybe things took a turn when the high court oked the T.V.A. and broke his losing streak. He got another swell break when Al Smith went off the deep end at the Belshazzar feed. It's a cinch that your allies, the Liberty Leaguers, have done you nothing but dirt."

"There was an unfortunate reaction to their activities," the publicist agreed.

"Anyway, things have cleared up a lot for Our Hero. A year ago it looked as if a flock of rowdies would go to the Democratic convention all set to spoil the party, but that's mostly out now. At this writing it listens like our best dog fights would be pulled at Cleveland. The way Bill Borah is carrying on—"

"I thought we were talking about Roosevelt."

"Fair enough," Elmer laughed. "Well, even the tax mess doesn't look so sour any more. He reaches into his lid and pulls out this rabbit, the tax on corporation surpluses. That looks like a natural to me. It won't gouge us toiling masses and make us bite our Congressmen. And after all, if our poor old uncle has to have kale, why not look for it where there is some?

"You'll notice, J.T., that the leading G.O.P. candidates are pulling their punches now, even Fearless Frank Knox. The New Dealers are no longer considered untouchables in our best circles. They are letting Herbert Hoover throw the rough stuff. He has nothing to lose but his hair shirt."

"I have heard that there has been a slight swing toward the President," said Mr. Riland, "but probably nobody knows as much about what people think as they claim."

"I string with you there, J.T. There are millions of us dumb clucks who have never been wired for sound."

Washington Notes

The Mavericks Back the Bankhead Bill—King Cotton's Illness Looks Permanent—Rust Brothers and Petty Tsars

A DRIVE has been started in the House to enact the Bankhead sharecropper bill. Behind it are the "mavericks," the same group of Southern liberals who last session forced the passage of the neutrality bill, and had a large share in the final victory of the utilities-regulation law. Besides Mr. Maverick himself, the leaders are Chandler of Tennessee, Hill and Starnes of Alabama, McCellan of Arkansas and Massingale of Oklahoma.

The Bankhead bill passed the Senate a year ago, and is now before the House Committee on Agriculture. Speaker Byrns is working, with as much energy as his comparatively languorous nature permits, to hold the House Calendar to a minimum, and it is understood that he will not grant a vote on the Bankhead bill unless he receives a nod from Mr. Roosevelt or else is compelled to do so by the House membership. Despairing of word from the White House, the "mavericks" are endeavoring to apply heat to the Democratic leadership.

At least nominally, the Bankhead bill is a revolutionary measure. It is designed to break up landed properties in the South on the scale on which estates were broken up a generation ago in Ireland, and are now being broken up in Spain. However, despite its theoretical consequences for the South's social and economic structure, the bill has called forth relatively little reactionary opposition. There is growing belief that many of the Southern gentry, particularly in the Carolinas, Georgia and Alabama, would be happy to dispose of their acres to sharecroppers in exchange for government money. Land prices in the Southeastern states are still very low and apparently the owners have little hope of future improvement.

The solidarity and energy of the Southern group in the House is impressive. Southern radicalism is nothing new in Washington; since Reconstruction days, Congress has contained at least one example of the type of the late Huey Long. But the Huey Longs have been regional delicacies. Whatever significance they have had for Southerners, they have had none for the rest of the nation. Their grievances, loves and hates have been largely unintelligible. In contrast, the "mavericks" are part of the broad national movement towards a changed order. They work easily and naturally with the Farmer-Laborites of Minnesota, the Progressives of Wisconsin, and the left-wing Republicans of the Rocky Mountain states. In the present fight for the Bankhead bill, the Progressive leader, Boileau of Wisconsin, has lent constant aid.

Nearly all the members of the Southern group are confident of reëlection, and they are now meeting regularly to draft a program for the next session of Congress, when there will be no such pressure for adjournment as exists this year. They all feel—and many Southern conservatives agree—that the South is due for a rude shaking up in the coming presidential term. They fear that the South has

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

It has been driven home to them that the South has to face expanding acreage not merely in Brazil—which has been considered the chief threat to the South—but also in India and China. The Brookings Institution's study, "Cotton and the A.A.A.," written by Henry I. Richards and published last week, points out that consumption of American-grown cotton declined from 14,200,000 bales in 1932-33 to 11,300,000 in 1934-35, while consumption of foreign cotton rose from 10,200,000 bales to 14,400,000. The study concludes that "a large part, and perhaps all, of the reduction in consumption of American cotton . . . represents a loss that cannot be offset by future increases, unless expansion of production is subsidized."

The failure of Brazil to offer more formidable competition to American cotton last autumn is now believed to have been due largely to currency difficulties. United States cotton brokers, attracted by glowing reports from Brazil, dispatched agents to Rio de Janeiro and Sao Paulo, and immediately found themselves confronted by the fact that there were two official rates for the Brazilian milreis. Many of their contracts were for sales to Hamburg, and there were also two rates for German marks. Furthermore, according to the stories reaching Washington, the rates at which they could exchange any given amount of dollars, milreis or marks depended largely on their success in establishing friendly, even overfriendly, relations with high Brazilian officials. After brief and expensive fliers in Brazilian politics, a majority of the United States brokers recalled their agents, and covered their commitments at a loss in the domestic market.

The Southern bloc in the House is also watching with apprehension the advent of the mechanical cotton-picker. Piloted by Mr. Sherwood Eddy, the Rust brothers, John and Mack, have recently interviewed the chief Department of Agriculture officials. The machine they have invented, they explained, will not pick the bolls at the bottom of cotton stalks, and has other minor imperfections that they are still trying to overcome. But in its present state, they said, it makes three-quarters of the workers of the cotton belt superfluous. They have already obtained orders for twelve machines, and have begun production.

The Rust brothers seem to me perhaps the two most interesting men in the country. With their Socialist upbringing, they are deeply sensible for the saving of human effort their invention will make possible, and deeply sensible of the social cataclysm it may precipitate. Their hope in coming to Washington was to obtain aid in setting up an experimental tract in Mississippi, where methods could be worked out for reëmploying the workers whom their machine will displace. They announced that they were ready to devote the greater part of their prospective profits to schemes for the rehabilitation of the South.

So far the Department of Agriculture has made no reply to their proposals, and there is danger that none will ever be made. One official cynically informed me that if their cotton-picker really worked, within the next two years either it would be bought up by one of the great farm-implement corporations, or else its manufacture would be stopped by a patent fight. According to this official, until the Rust brothers win the inevitable contest with corporate

Probably the most important social influence in the South at present is the Resettlement Administration, the first federal agency, except for the old F.E.R.A., to deal directly with sharecroppers. Serious accusations have been made of discrimination on the part of R.A. county supervisors against members of the Southern Tenant Farmers' Union. I have investigated some of these charges, and it seems to me that—just as in the case of the W.P.A.—it is the system that is primarily to blame. Neither sharecroppers applying for aid from the R.A., nor the unemployed asking jobs from the W.P.A., have any legal rights whatever. They are at the mercy of a petty tsar, and to imagine that none of these tsarlets will be prejudiced against radicals is absurd. R.A. officials in Washington insist that they are eager to wipe out discrimination wherever they find it, but it is hard to believe that they can succeed.

Washington. T. R. B.

Other People's Money

Mussolini, the First of the Budget-Balancers —The Italian Instalment Plan— Who's Putrid Now?

AN ABLE American journalist, returning from a visit to Ethiopia, Italy and England, has said that he was assured in high quarters in England that England had not pressed too strongly for oil sanctions because statesmen felt that Mussolini's Italy was cracking financially and that it would be better to permit the inexorable laws of economics to do their work upon the Duce. Those laws, cruel, unrepealable and beyond the reach of mitigation by the enforcement authorities, seem to be doing their job. And this calls to mind the fact that American investors are holding some $80,000,000 of Italian government bonds and many times more of the bonds of Italian cities and industrial groups. One may well wonder how we came to have these precious investments. The Italian government bonds offer an excellent example of how such investments came to be made.

In 1925 Mussolini had been in power but two years. It was the period when American business groups were talking about setting up dictators like Will Hays and Judge Landis. A good many patriotic American business men, who are now terrified lest our Constitution be in some way impaired, were saying that perhaps we ought to have a man like Mussolini over here.

One looks back with a little bewilderment at the tenderness with which the kind of soul who joins the Liberty League regarded the arrogant dictator in Italy. In 1925 Miss Margherita G. Sarfatti had just published in America the English translation of her biography of Mussolini, with a preface by Il Duce himself. In it she told how Mussolini had said: "Be it known then once for all, that Fascism knows no idols, worships no fetishes. It has already stepped and, if need be, will quietly turn around to step once more over the more or less putrid body of the Goddess of Liberty."

Just at this time Count Volpi appeared in America on a dual mission. One was to arrange a settlement of Italy's

LICENSED TO UNZ.ORG ELECTRONIC REPRODUCTION PROHIBITED

borrow another hundred million dollars. He was successful in both. Italy owed the United States in principal and interest $2,042,000,000. This she promised to pay over a period of sixty-two years with interest at the rate of one-eighth of one percent for the first ten years, one-fourth of one percent the second ten years, and so on, until over the whole period the interest would average about four-tenths of one percent. Also, Count Volpi got the hundred millions through the firm of J. P. Morgan and Company. Obviously that loan could not have been handled to assist the great lawgiver, among other things, to step upon the putrid body of the Goddess of Liberty—now the household saint of the Liberty League—if the war loan were not settled. Of course, it is not necessary to add that the war settlement was later repudiated by Il Duce, but that the Morgan loan still goes marching on, though a little the worse for wear.

When that $100,000,000 loan was offered, of course, the bankers issued a prospectus pointing out the excellent financial condition of Italy. The great point was that the Italian budget had been balanced. If you will look at the official figures you will see that that appears to be true. And there can be no doubt that the bankers were quite honest in saying so. They were, however, a little naïve. For since that time it has been discovered that the dictator had introduced some little kinks into Italian finance which would seem to qualify him for membership in a good house down in Wall Street, if he should ever be chased out of Italy.

The truth is that most of Italy's present financial troubles date from that very period of 1925. In the year 1924-25 the budget stood: Receipts, 20,440,000,000 lire; expenditures, 20,023,000,000 lire. We now know that Mussolini found a way to keep his American banker friends pretty well in the dark about the true state of his finances. He, of course, showed in his budget the sums he had expended in money, whether it came from taxes or cash loans. But he left other items out of his budget. These were called annuities. That is, instead of borrowing money from the banks or the people to pay for public works, he paid for them with direct I.O.U's to the contractors, which I.O.U.'s were payable in instalments over long periods. In short, he paid for immense undertakings the same way an American householder pays for putting in a new furnace —on the instalment plan. But he did not put these sums down as expenditures. Thus in the year 1924 these sums amounted to 6,500,000,000 lire, but they did not appear in the budget. Between 1924 and 1928, they amounted to over 18,000,000,000 lire. This worked so well for public works that after a while Mussolini used the scheme to pay for ordinary expenses. It is pretty much like paying school teachers and public employees with scrip but not setting it down as part of the government's expenditures. This, of course, is not the whole story, but it is enough.

The $100,000,000 in bonds sold at 94½. At one time in 1934 they were as low as 50. They are now selling at 72½. Behind these bonds now is the credit of a government in financial difficulties, which has not balanced its budget for five years, according to its own figures, and not for fifteen years if we accept the facts and not the

Before this loan was floated more than one journalist had called attention to the situation in Italy and they had given ample warnings about the naïveté of the American bankers visiting Italy. But, as we have come to realize, the bankers always know best. And so when the loan was floated a great banquet was tendered to Count Volpi in New York, where distinguished citizens crowded and where Mr. Thomas W. Lamont presided. Mr. Lamont called attention to the fact that there was no opposition to the Italian debt settlement "save from a very limited portion of our community known as 'the last red centers.'" And when the name of Mussolini was mentioned, the distinguished audience arose and cheered the dictator who had just boasted that he was prepared again to "step over the putrid body of the Goddess of Liberty."

JOHN T. FLYNN.

More Things in Heaven and Earth . . .

UP FROM fairyland for consideration at this time are two breath-takers, the films "Things to Come" and "The Great Ziegfeld." The year has already had half a dozen better and more truly founded pictures than either, but for pure splash and splurge and trade excitement, both steal the spotlight. Thanks mostly to the increasing opulence of picture companies, their rapid advance toward technical perfection and the gradual enlargement in the receptivity of their audiences, each represents something in production that has never been seen before.

In "Things to Come," H. G. Wells and Alexander Korda's movie staff (William Menzies directing, Georges Perinal on camera, etc.) come to a view of civilization much more sweeping than is usual in films, taking in everything except what may be called the life of man. Wells sees the coming war as a universal explosion, lasting thirty years and driving civilization back six hundred (in which he may possibly be right). He sees a group of airmen surviving as civilized, replanning the world for peace but using force if necessary. By 2036, such is the progress of science, friction in the world has ceased, cities are built under glass, hygienic and with beautiful sweep and space, leisurely reasonableness is the order, classical attire the dress (which—as acted out here by very clean blonde types, all wishing to be the first to sacrifice themselves for the ideal of interplanetary traffic—is either quite wrong or saddening to think of).

The filming of such a story is a large order in any event; and they go about it in an impressive way, with delicacy and something over a million dollars. Wherever ingenious camera work and design (except possibly in the costumes) can create the illusion, the producers overcome difficulties handsomely, making enormous machines in miniature and world chaos in fragments, getting their never-never land as solid and polished as an M-G-M ballroom set, and in general achieving success where you would not expect it—as in the explosion of the space gun, managed by showing first the barrel itself, standing like Rockefeller Center; then the control room and inside of the lowered shell, all shining

LICENSED TO UMI BY ProQuest
ELECTRONIC REPRODUCTION PROHIBITED

the explosion itself, mainly felt in the clouds of gas and smoke which fill the screen, swirling off upward in the blast.

But it is the living material we must consider—the stuff, unfortunately, that good little boys, girls and movies are made of. The first part of the story is best, and good comment too: how war is declared and the boobs rush off to it, all nations pushing on to a victorious peace through the bombing of cities, the gas and senseless killing of men by other men, until towns are brick ruins and communications are forgotten and men have no shoes and no tools for making them or anything else. In this part the inexorable tragic machine is shown by the trick-photography inserts of men and tanks and guns and the shadows of these things on different levels, marching in converging lines to the same end, best of all the shot of planes over Gibraltar, out of the cloud and into the distance, the thousands of them.

The middle section—Everytown in its early-feudal state after the war, fighting the plague under a war-lord, trying vainly to get a couple of crates in the air and push on to final victory—has convincing characters and events, particularly the figure of Ralph Richardson as petty dictator. And when the extremely international and decent airmen get the world in hand, there are many arresting matters—terrific machines blasting away the hills, foundries turning out great walls of building-glass, cranes picking up practically everything and the singing of monster dynamos everywhere. The completed version of Everytown is a great piece of fascination in itself, with stories rising endlessly in the clear air and everything white (camera note: all this glass and light make for blurred focus and a strain on the eyes), and the quiet hum of engineering devices, perfectly slick and baffling.

But when plot comes in through all this business of world construction, it makes an evident fool of itself, vague and full of wind. The new progress, it finally seems, is unconstitutional and too fast, so the villain in sweeping robes harangues the people by television, saying: Destroy the symbol of this vicious progress, smash the new space gun. So they start for the space gun, but just in time the blonde types enter the space bullet and are fired in it off toward the moon to the everlasting glory of something. And the end is a speech that goes on and on.

The picture, in fine, is supreme in its mechanical invention and camera magic; but when it goes beyond the machines of the future world (no more extreme, incidentally, than the drawings from patents in any of the popular-science magazines) to the people in it, it demonstrates that no convincing good will come of fooling around with a next world until you have some understanding of the complexities of this one, what will come of it, and in what way—no lessons to be learned playing hookey into the future. I imagine lots of people will share my interest in the unfathomable gimmicks and doo-dads of "Things to Come"; but I doubt if many will be either emotionally lifted or intellectually improved by its rather unrelieved prophecy (Jules Verne in celluloid) of the world as a pure-food restaurant. . . . "The Great Ziegfeld," that other spectacle mentioned in this review, will have to wait until later: it being exploited as a two-a-day roadshow, there

The Bandwagon

Americans, whenever employing them at all, have universally used their armies in noble causes.—*From an editorial in The Oregon Journal, Portland, Oregon, April 6. Submitted by Harlow Lenon, Portland, Oregon.*

Unless Providence wants our own existence as a paper of the New Order in Britain, the Destiny has this week decreed that our unnecessary and unwanted paper New Britain stops. We have done our bit. Providence is nevertheless with the Species Man.—*The New Britain, March 25.*

Imagine an Italy in which thirty-six millions should all think the same, as though their brains were made in an identical mold, and you would have a madhouse, or rather, a kingdom of utter boredom or imbecility.—*Benito Mussolini, writing in 1912. Quoted in John Gunther's book, "Inside Europe."*

Since my announcement, numerous bootleggers have come to me and offered to pay off to the city, if we could find a way to avoid arresting them on charges of illegal liquor sales. We have investigated this angle and find it cannot be done.—*Mayor Harman W. Peery of Ogden, Utah, quoted in The Ogden Standard Examiner, April 5.*

Major Bowes was approached by a serious fan immediately after a broadcast a couple of weeks ago and asked, since he now counts his listeners in the millions, why he doesn't run for the presidency of the United States.

Bowes, also serious, replied: "I don't think I can spare the time to go into politics."—*Variety, March 18.*

On Sober Republican Second Thought

Expiring N.R.A. reports gain in child labor. Collapse of standards is claimed in final statement by Marshall.—*Headline in the City Edition of The New York Herald Tribune, April 2.*

N.R.A. reports differ on gain in child labor. Flood of papers loosed by dying bureau offer no conclusion.—*Headline in the Late City Edition of The New York Herald Tribune, April 2.*

The Great What-Is-It

Augusta, March 16.—(A.P.)—Governor Louis J. Brann testified in Superior Court today that the Maine E.R.A. was not a state department.

Augusta, March 17.—(A.P.)—Malcolm R. McCormick, a statistician from W.P.A. headquarters in Washington, testified in Superior Court today the Maine Emergency Relief Administration was not a federal agency. —*Associated Press dispatches published on successive days.*

Our readers are invited to contribute to this column and $1 will be paid for each item used. Address The Bandwagon, care of The New Republic. Unless a request

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

CORRESPONDENCE

More About National Planning

SIR: In your editorial entitled "Still the Unemployed" (issue of April 8) you advocate a national-planning commission, although you do not expect such a commission "to exert much immediate influence on the welfare of the people."

Have you carefully considered the implications of the idea of national planning, I wonder?

It seems to me that if our national economy is to be operated, either now or later, according to a rational plan, then we must first change our form of government from democracy to absolutism of some sort. Successful planning must involve a centralized control of wages, prices and production schedules in all our major industries, including agriculture, and also a control of banking and investment. This surely is incompatible with the private ownership of the means of production and with the private control of credit. Moreover, a planned economy could not be achieved gradually but would have to be all-inclusive from the start, for any control of a part of our economy would be rendered ineffective by the vagaries of the rest. This means that the change to a planned economy would be revolutionary in its nature.

I am afraid that there are only two kinds of economic planning possible today: the fascist variety and the communist variety. The idea that a planned economy could be superimposed upon private capitalism, while still retaining the forms of a political democracy, seems to me unrealistic to say the least.

However, perhaps you have a theory as to how it might be done. If you have I wish you would explain it.

Boston, Mass. GEORGE R. WALKER.

[We have carefully considered the implications of the idea of national planning—notably in many articles printed from 1930 to 1932. Our conclusion is that nothing like complete national planning is possible without socialization of the means of production. Another conclusion is that this is not necessarily "absolutism," but may be substitution of democratic government of industry for private government of it. Still a third is that in default of socialism, many attempts at partial planning are being tried all over the world, and more are certain to be tried. These attempts are likely to work well in some fields and badly in others. Our correspondent is mistaken in saying that there are only two kinds of planning—fascist and communist. There is also capitalist planning in the interest of private profit, which has so altered a laissez-faire economy as to make it unrecognizable and unworkable. Finally, there is the kind of partial planning that labor and consumer movements have introduced in capitalist countries as a check to the evil results of capitalist planning. There are many shades of conscious control of the social economy between the white of laissez-faire and the black of complete centralization.—THE EDITORS.]

An Appeal for Victims of Nazi Justice

SIR: The kind of justice imposed by Nazis on their helpless victims has again been demonstrated during a recent trial of leading trade unionists in Berlin. The defendants were charged with the "crime" of reorganizing the destroyed German labor movement. All were found guilty on perjured testimony and sentenced to heavy prison terms—virtual death sentences.

One of the Nazi prosecution witnesses was a trade unionist named Markwitz. He was brought from prison to the court. Prior to that he had been "questioned" by the police and prosecutor.

"Must I tell the truth?" he asked, when called upon to testify.

When told that he should, Markwitz's answer was to tear open his shirt and expose his torn and broken body. His ribs almost protruded through the flesh, mute testimony to frequent and savage beatings. Then he told the court that the statements he had made to the police and prosecutor were false, that he had been tortured into making them. Despite this testimony the de-

It is instances such as this that reëmphasize the need for continued assistance for the victims of Nazi and Fascist terrorism in Europe. The Committee for the Relief and Liberation of Victims of Persecution in Europe is now engaged in a vigorous campaign to raise funds in New York City and on May 3 will hold a mass demonstration and All-Star Benefit-Concert in Madison Square Garden for this purpose. I appeal to all American lovers of justice to contribute to this work.

New York City. MATTHEW WOLL.

From The New Republic Mail Bag

Joseph Thernson Combs sends us a note from New Zealand, saying that the Labor government which recently came to power with a substantial majority seems an energetic one and that the outlook for progressive legislation is good.

Charges of a frame-up are made by members of the defense committee for Murry Melvin, vice-president of the Allied Printing Helpers' Union in New York City, who was convicted on an assault charge growing out of the recent lockout at the Typographic Service Company. Both witnesses against Melvin were strikebreakers, and they and the doctor who testified all admitted they were being paid by the president of the company, according to a statement sent us by the defense committee formed among members of Typographical Union No. 6 of New York. The committee urges that protests and demands for Melvin's release be sent to the Parole Board, Room 2500, Municipal Building, New York City.

The University of Chattanooga sends us a program of its current celebration of the fiftieth anniversary of its founding. . . . Ernest N. Rymer announces the formation of the Federation of Children's Organizations, 175 Fifth Avenue, New York City, which all institutions that give educational or recreational opportunities to children are invited to join.

The Committee on Cultural Relations with Latin America, 287 Fourth Avenue, New York City, announces its eleventh annual Seminar in Mexico to be held in Cuernavaca and Mexico City, from July 9 to July 29, 1936.

The United Committee to Aid Vermont Marble Workers announces the opening of new headquarters in New York City at 7 West Fourteenth Street. The Committee has been enlarged and is carrying on an active campaign for contributions to prevent the eviction of striking marble workers from their homes.

What's on the Air?

Chairman John G. Winant of the Social Security Board on the subject: "America Faces Social Security." Saturday, April 25, 2:30 to 3 P. M., C.B.S.

President Roosevelt, Governor Lehman and others at Jefferson dinner in New York. Saturday, April 25, 10 to 11:15 P. M., C.B.S. Also on N.B.C.-WEAF, 10:30 to 11 P. M.

Secretary of Commerce Roper, President Harper Sibley and others at national convention of the United States Chamber of Commerce. Tuesday, April 28, 11:30 A. M. to 12:30 P. M., N.B.C.-WEAF.

Dorothy Thompson discussing "Analysis of the News" on Women's Radio Review program. Tuesday, April 28, 4 to 4:30 P. M., N.B.C.-WEAF.

Secretary of State Cordell Hull addresses United States Chamber of Commerce convention on "American Foreign Trade Policies." Thursday, April 30, 12 noon to 12:30 P. M., N.B.C.-WEAF.

Igor I. Sikorsky, aeronautical engineer, discusses "The Problems of Transoceanic Airplanes." Saturday, May 2, 6 to 6:15 P. M., N.B.C.-WJZ.

Mrs. Jouett Shouse, Norman Hapgood and others discussing "Why Should Women in Industry Organize?" on National Women's Trade Union League program. Monday, May 4, 7:15 to 7:30 P. M., N.B.C.-WJZ.

All times up to April 26 are Eastern Standard. After that date,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

BOOKS IN REVIEW

A Game of Chess

I DOUBT that any other poet in this country is a better judge of his contemporaries than Allen Tate. He has a personal distinction that frees him from jealousy and a sense of craftsmanship that qualifies him to explain all sorts of technical matters—for example, the effects of different rhymes and meters, or the desirable tension produced by a conflict between violently individual emotions and conventional images. Moreover, he goes beyond questions of technique into a frequently illuminating type of social criticism. He says in his essay on Hart Crane—certainly the best of all those dealing with the subject—that the poet tried to create a religious myth for an anti-mythical nation, with the result that his central symbol, the Bridge, has no real meaning. Edwin Arlington Robinson's long poems, he says, are dull and undramatic because "Mr. Robinson has no epos, myth or code, no supra-human truth, to tell what the terminal points of human conduct are, in this age." In Archibald MacLeish's "Conquistador," there is likewise no objective convention that would give value to the hero's personal memories of the march to Mexico. "The poem recovers the perceptions, but it does not place them against a coherent scheme of events." E. E. Cummings gives "only the evidence of personality. And this is what Cummings' poetry 'means.'" Except for a few questionable words like "religious" and "supra-human," I think these judgments are final; they fix the landmarks by which other critics will have to steer.

And in this sense Allen Tate's new essays[1] deny the title under which he has printed them. When they deal with modern poets, they are not at all "Reactionary Essays"; instead they point toward the future; their only political color is a belief in the desirability of generally accepted standards—that is, in a goal toward which all sorts of people are struggling. But Tate's essays also deal with poetry as an abstract idea ("Three Types of Poetry"), with religion ("Humanism and Naturalism") and with the need for recapturing the feudal virtues of the Old South. In this wider field there is more reason for his title, yet even here the essays are not so much reactionary as they are personal and symptomatic. They reflect the confusions that are caused by the author's attempt to write, simultaneously, from three different points of view.

When T. S. Eliot told us a long time ago that he was a Catholic in religion, a royalist in politics and a classicist in literature, he was announcing a debatable position, but one that was at least consistent. Tate has not this advantage. He is a Catholic by intellectual conviction (though not by communion), he is a Southern Agrarian by social background, he is a man of letters trained in the Late Romantic or Symbolist tradition—and these are three positions that cannot be reconciled anywhere short of Nirvana. The South, for example, was not in its great days hospitable either to Romantic poetry or to any other form of creative literature; as Tate explains, its talent went into politics. Having been settled chiefly by Calvinists and Wesleyans, it was and remains fiercely hostile to Rome. Today if Tate carried his praise of traditional religion to the logical point of joining the Church, he would be alienating himself from his own people. He would not be alienating himself from poetry, but he would be forcing himself to reject many poets whom he still admires, with a divided mind. It almost seems that his essays are being written by three persons, not in collaboration but in rivalry (and we are given occasional hints of a fourth, a disciple of Schopenhauer rich in Yogi wisdom and prepared to reject the whole world as a realm of unmitigated evil).

At times there are tentative efforts to reconcile these adversaries. There is, for example, the statement that a great literature, if it had risen in the Old South, "would have been unique in modern times." Tate is forced to add that it did not rise. Again, he tells us that "only in the South does one find a convinced supernaturalism; it is nearer to Aquinas than to Calvin, Wesley or Knox." But if we reduce St. Thomas Aquinas to a feeling of "convinced supernaturalism," we have not much left of the "Summa Theologica." Still again we hear that the Western Church "established a system of quantity for the protection of quality, but there was always the danger that quantity would revolt from servitude and suppress its master." At this point I cannot help thinking that "quantity" might be embodied in the white and black cotton tenants and "quality" in the planters—then Tate would be hinting at the possibility of a synthesis between some peculiar Southern institutions and the Church of Rome. But generally he conceals the civil war inside his mind by the process of reducing everything to abstractions.

The book abounds in abstractions, in mouth-filling words such as "the South"—which bears a shadowy resemblance only to part of the real South; "Europe"—which is not France or England or Germany or the people who live in those countries; "Science"—which is separated by a thousand light years from any aims that breathing scientists pursue in their laboratories; "Religion"—which is neither Catholic nor Protestant nor yet Buddhist, though it has elements borrowed from all three; "Quantity and Quality"; "Imagination" as opposed to "the Will"; and finally "History"—which tells us how "the ideas that men lived by from about the twelfth to the seventeenth century were absolute and unquestioned," in which respect it controverts the historical records of those six centuries. All these shadow-symbols, these disembodiments, are shifted back and forward with egregious skill; one can scarcely seize their coat-tails before they vanish. Reading some of Tate's political and theological essays is like watching a game of chess played on a triangular board with ghosts for chessmen. But the result of the match is settled in advance. At a certain point the author gets tired of his symbols and sweeps them off the board with one broad gesture.

It happens at the end of his essay on "Religion and the Old South," which is the climax of the book from the standpoint of interior drama. "How," he suddenly asks, "may the Southerner take hold of his tradition? The answer is: by violence." In a few words he explains that without a clearly articulated religion the Southerner cannot "bore from within" the framework of society and change it peaceably. "He has the remaining sole alternative of boring from without. This method is political, active and, in the nature of the case, violent and revolutionary." Much has this discussion has prepared us for this call to

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

In other countries we have seen very subtle arguments about tradition and the over-soul used to justify the counter-revolutionary seizure of power. Violence is also a method of reconciling points of view that cannot be persuaded into philosophical agreement. But it is likely to raise more questions than it answers. For example, one might ask where the Southern Agrarians will get their weapons. Will they call for help to Birmingham, which means an alliance with the United States Steel Corporation, with Republic Iron and Steel, in a word, with everything in American life that they detest? Will they fight the North again, or will they first have to assert at home the overlordship of quality over a "quantity" that might any day revolt from servitude?

MALCOLM COWLEY.

Mr. Keynes's General Theory

The General Theory of Employment, Interest and Money, by John Maynard Keynes. New York: Harcourt, Brace and Company. 415 pages. $2.

UNEMPLOYMENT, the most conspicuous and most painful symptom of unsoundness in the existing economic system, is the central problem to which Mr. Keynes addresses himself in this new book. His study is framed as an investigation of how it comes that there is not full employment, and of the means by which, in a system of free enterprise, full employment may be achieved and maintained. While his elaborate and highly technical analysis is presented in general terms, it is apparent that he is concerned primarily with British conditions and British policies.

Only an outline of the broader relationships treated by Mr. Keynes can be attempted here. Mr. Keynes assumes that a virtually full employment of labor can be attained. Assuming that there is less than full employment at a given time (which it is not difficult to do), the trend of actual employment will depend on whether the rate of investment of new capital is increasing or diminishing. This is because an increase (or decrease) in the rate of investment must carry with it an increase (or decrease) in the rate of consumption and of the effective demand for goods. The rate of investment of new capital, in its turn, depends on the prospective gain to be derived from the investment ("the marginal efficiency of capital") and also on the "liquidity value" which money possesses over other valuable things. Whether there is a sufficient prospective gain to induce investment (and here we skip a number of steps in analysis) depends, taking industry as a whole, on the height of interest rates and of wages.

It follows, therefore, that the amount of prospective gain from investment (and thereby the employment of labor) can be enhanced, at any particular time, either by a reduction of money-wages or by a reduction of interest rates, *i.e.*, an increase in the supply of loanable funds. As between these (essentially British) alternatives, Mr. Keynes recommends the latter on grounds of justice, experience and expediency. He proceeds, therefore, to the conclusion that credit should be made easier as a means of obtaining a full employment of labor. The maintenance of such full employment would require, during a period of cyclical boom, the abandonment of the customary practice of raising interest rates to check credit expansion, and the substitution therefor of a policy of reducing interest rates and increasing credit expansion. Following this proposal, Mr. Keynes offers a number of qualifications and says: "If we are prepared to advocate sufficient measures, I should agree that to raise the rate of interest during a boom may be, in conceivable circumstances, the lesser evil."

I hope that this summary is not so inadequate as to be unfair to Mr. Keynes. His entire analysis is hedged about with technical exceptions and special considerations. Yet his central theme, while it runs in terms of pure theory, would scarcely serve as a central theme if it were so qualified as to have a significant meaning only in highly exceptional circumstances. One or two of the special considerations must be mentioned. Mr. Keynes recognizes and stresses the conventional and habitual addiction people have to high rates of interest—"John Bull can stand many things, but he cannot stand two percent." This consideration, added to certain administrative necessities, leads Mr. Keynes to "conclude that the duty of ordering the current volume of investment cannot safely be left in private hands." Such ordering of investment at low rates of interest clearly would require that the state do the investing. Again, when faced with the theoretical imperative of the under-consumption theorists that expenditures for consumption must be increased and savings for investment diminished, Mr. Keynes gives it as his practical judgment that both should be increased. Such a judgment would set the task of the monetary and credit authority.

Mr. Keynes's analysis adds substantially to our understanding of the process by which public investment and public ownership may—perhaps must—grow up within the system of private enterprise. Carried to its logical conclusion, such a program must mean that finally the prospectiveness of profit would cease to determine the rate of capital investment. I believe that Mr. Keynes has overstressed the power of control vested in the interest rate, and that a great variety of disparities would arise within his scheme of economic adjustment, frustrating the efforts to maintain full employment. Mr. Keynes, while apparently conscious of these probabilities, appears also to forget them at times in his discussion of policy.

Mr. Keynes's critical views are invariably interesting. When he wrote "The Economic Consequences of the Peace" he was interesting because he saw more clearly than most other people the errors made at Versailles. More recently he has been interesting for his forthright attacks on the errors which, in his own view, he himself has made. Three years ago, in a lecture on national self-sufficiency at University College, Dublin, he recognized that the grounds for his earier support of liberal internationalism had shifted widely. Now in his latest book, while serving more positive ends than self-criticism, he courageously seeks to tidy up and to rectify certain theoretical positions he has tacitly or explicitly assumed in earlier works. He has made several changes—notably on the relation of saving and investment and in his cordiality to John A. Hobson's under-consumption theory. He no longer regards the influences of money as calling for study separate from the general theory of demand and supply. While he approached this theoretical position in his "Treatise on Money," those who have followed his work will recognize, in the very title of the present book, an association of ideas somewhat incongruous to the Keynes they earlier have known.

Mr. Keynes undoubtedly will write other books as correctives to this one. In his present study he apparently has taken a step toward the positive position he will finally come to occupy in the history of economic theory. But since it is presented in a highly abstruse and mathematical fashion, "The General Theory of Employment" probably will not add directly to his popular prestige

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The Book of Ireland

The Green Lion, by Francis Hackett. New York: Doubleday, Doran and Company. $2.50.

IN "The Green Lion" Mr. Hackett has brought his talents and resources to a focus. He has written of life with realism extended by imagination to things intimately conceived and finely felt, in a style light and deft as a steady breeze. The background is the old town of Kilkenny, and later the Jesuit School of St. Ignatius. The moody Irish landscape under frost, rain, mist, gusty wind and fitful sunshine seems to reflect the spirit of Irish men and women, passionate, wistful, tender, mystical and humorous.

This is indeed the book of Ireland. The hero, Gerald Coyne, is a study of adolescence as true in its delicate shading as "The Portrait of the Artist as a Young Man." Gerald's is a complex nature in a complicated time, with intimations of Divine Love and aspiration toward the Imitation of Christ struggling against boyish sensuality; with affection for his own people bound up with the church which betrayed his country, denounced Parnell, hounded Dreyfus, and promoted an education combining the Greater Glory of God with an opportunism according to which "the ways of Jesus were incorrigibly British." The large theme of the trilogy of which this is the first part, the search for union with the Absolute through the taming of "the raw stuff of indomitable human nature," is sounded in this prelude of "the hunting of the green lion through the forest of the sensual world." A doubt at the conclusion whether Gerald Coyne's emigration to America is to be regarded as pursuit or flight awaits resolution in the next volume.

ROBERT MORSS LOVETT.

China and Points East

The Problem of the Far East, by Sobei Mogi and H. Vere Redman. Philadelphia: J. B. Lippincott Company. 348 pages. $2.

War and Diplomacy in the Japanese Empire, by Tatsuji Takeuchi. New York: Doubleday, Doran and Company. 524 pages. $4.50.

THE CHIEF purpose of "The Problem of the Far East"—a study of modern Japanese and Chinese social, political and economic problems, and of international relations in the Far East—is to analyze the critical situation on the western shores of the Pacific. The authors say that no major war will occur in the Orient so long as Japan refrains from "any further advance" into the Asiatic continent, especially into China; and Japan herself will take no drastic steps so long as the Powers allow her to continue the trade expansion in which she has already made such amazing progress, and by which she hopes to achieve economic stability in the future.

As for the fate of China, this depends in part upon Japan. But even were Japan disinterested, political order and economic prosperity would not be altogether assured. The Republic must be reorganized. For such a reconstruction there are three proposed methods. First, the suggestion is for supervision by some such international body as the League—but since the most important parties concerned here (the United States and Japan) are not in the League, second possible remedy is that of the full dictatorship urged by Chang Hsueh-liang—but before this is possible, a candidate must be found who can rally unified foreign support, and to date it is precisely the large number of weak candidates and strong foreign backers that has politically mutilated the country. Third, there is the possibility of establishing a federal republic on a socialist or communist basis, and Dr. Mogi (a protegé of Harold Laski) feels this to be the only hope. Such a move need give capitalist nations no immediate concern, for the regime would be mainly interested in raising the standard of living. The already sovietized area—which incidentally has no relation to the Third International—has, despite much outside interference, offered the masses more political and economic security than they have known before.

But events since this book was written have somewhat belied its optimism. World encroachment on Japan's foreign trade has increased; the Manchurian adventure has yielded no return, since almost the entire 30,000,000 population is penniless and must have its purchasing power created at Japan's expense; the purchasing power already to be found in the five North China provinces centering around Peiping-Tientsin is leading Japan farther and farther into aggression. On the other hand, constant expansion of the sovietized area in China has moved Japan, probably with the tacit consent of other capitalist nations, to offer the Nanking government assistance in checking the advance of a communist regime—which was the only future for China that the authors could believe in.

In general, careful scholarship, informative tables and first-hand knowledge make this a reliable handbook on the Far East.

The author of "War and Diplomacy in the Japanese Empire" believes that the unique character of the Imperial Constitution is directly responsible for the foreign policy that Japan has been pursuing. Article X gives the Emperor supreme command of the army and navy, executed through the chiefs of their general staffs. Under Article XII the Minister of War and the Minister of the Navy, though members of the Cabinet, are subject to the sovereign alone, and are independent of their civilian colleagues. Article XIII states that "The Emperor declares war, makes peace and concludes treaties." Concretely these provisions mean that the Cabinet has a dual nature and that very often the pacific intentions of its civilian members are overruled by the military, to which even the Prime Minister must bow. Furthermore, the Diet has little power over Japan's foreign relations and her policies of national defense. The legislature may offer a weak protest by refusing to appropriate funds that are necessary for a given military project or diplomatic venture, but this step can easily be nullified by the administration. Thus, Japanese foreign policy, especially as regards the continent of Asia, is dominated by the army and the navy.

The author maintains that "the existing system violates the fundamental principles of responsible government" and that the limits of the scope of the Imperial power should be so defined "that they do not redound to the immediate advantage of the war-makers." He cites nearly twenty instances to illustrate the results of the application of the Crown prerogatives. The book is both scholarly and readable, but it will be slightly disappointing to those who hope to find conclusive information on the causes of the war in the Far East. Although the author discusses political programs in full, he does not analyze the economic forces

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Minor Classic

The Private Journal of Henri Frédéric Amiel, translated by Van Wyck Brooks and Charles Van Wyck Brooks. New York: The Macmillan Company. 722 pages. $3.50.

THE PASSAGE of time has not dealt very kindly with the obscure professor of Moral Philosophy at the Academy of Geneva. To our fathers and mothers, to the generation that read and discussed "Robert Elsmere," Mrs. Humphry Ward's translation of Amiel was intellectual whole-wheat bread, and even the great Renan spoke of him as "a modern mind of the best type, matured by the best modern culture." Matthew Arnold devoted to him, as to Tolstoy, one of those sparing essays of his later years, and no shelf of modern literature was complete without a copy of the melancholy "Journal."

It would even now be absurd to deny that, especially in the revised and amplified form edited by Bernard Bouvier a decade ago, the book is one of the minor classics of the nineteenth century; a piece of painful self-revelation that is not likely to be superseded until introspection of the morbid order comes back, if it ever does, into literary significance. English readers were lucky to have Mrs. Ward's accomplished translation of the stingily edited first selection, and they are now still luckier to have the present translation of Bouvier's far more faithful and far more revelatory volume. One often has the illusion in reading this version that Amiel was not a French but an English writer, and no one who has even glanced at the original needs to be told what an achievement this represents.

It has, in this form, an irreducible interest, though it is not the interest, at least not mainly, of an intellectual, a philosophic, or even a critical stimulant. Potentially Amiel may have been something more than a second-rate sensitive mind: the best of his insights suggest that in fact he was, and Matthew Arnold was not hitting too wide of the mark when, refusing to grant him any real importance as a thinker, he praised Amiel for his delicate literary discriminations and his ethical intuitions. But even as a literary critic he shines too intermittently and too impulsively to take high rank; as a moralist, his real glimpses of human truth are marred by his apathy and skepticism.

If, indeed, there were any serious danger at the moment of his being conceded some important authority as a commentator on ethical or social realities, it would be a reviewer's duty to stand up in meeting and protest. Amiel was an idealistic individualist whose contempt for the mass of mankind, let him say what he might, was radical and insuperable. Like all timorous souls, he was a reactionary at heart. The man who shrank, in his youth, from marrying the woman he loved, despite her beauty and goodness, because she might not be a good *ménagère,* was the same man who railed, in the privacy of his journal, against the follies and vices of democracy, who sneered at the heroes of the Paris Commune, and who strongly opposed the separation of Church and State in Geneva. It is only too true that the Fascists of our own time could draw, if they chose, plenty of aid and comfort from the pages of the "Private Journal." Still, it is not from the lips of self-confessed and indeed self-trumpeted impotence that the propagandists of power and ruthlessness are likely to take counsel. "I shall have lived as little as possible," wrote Amiel, "in order not to invite the blows of fate"—which is not the tone of our black-shirted and brown-shirted supermen.

At the present hour, Amiel is likely to interest those who read him, not as a revealer, but as a symbolic personality and even, in an almost fictional sense, a personage. It is not with the Renans and the Arnolds that one now finds it natural to associate him, but with the Obermanns, the Oblomovs, the Ekdals, of the nineteenth century novel or drama; as one more representative, and by a relatively unimportant chance a "real" representative, of an abortive but not ignoble chapter in the history of the modern mind. The stigmata of the type are all here—indecision, fear of action, the "malady of the ideal," high aspiration, sterility—and, to do Amiel justice, he would probably prefer, as Bernard Shaw once said *he* would, to be taken as a warning rather than as an example. The tragedy of the impotent intellectual was not the prime tragedy of the century, any more than it is today, but only the philistines would deny its serious meaning; and so long as even the memory of such a fate remains, there will be a reason for reading Amiel and considering his self-diagnosis. He that is able to receive it, let him receive it.

NEWTON ARVIN.

Books in Brief

Putting the Constitution to Work, by Harry W. Laidler. New York: League for Industrial Democracy. 38 pages. 25 cents.

THIS, the April issue of New Frontiers, is one of the most valuable pamphlets published by the L.I.D. It summarizes briefly the story of the framing and adoption of the Constitution, the assumption by the Supreme Court in 1803 of the power to declare acts of Congress unconstitutional (Marbury v. Madison), the Dred Scott decision, which was one of the causes of the Civil War, and the slowly accelerating decisions that deprived Congress of the power to enact social legislation in the early twentieth century, culminating in the rapid-fire on the New Deal. Those who want to know the essential facts about this controversial subject, or wish to put into the hands of blind worshipers of the Constitution and the Supreme Court the reasons why a new constitutional crisis is approaching, will find it handy. G. S.

Philosophy and the Concepts of Modern Science, by Oliver L. Reiser. New York: The Macmillan Company. 340 pages. $3.50.

Considered simply as an account of the methods and results of modern science, this volume is inferior to the résumés of Hobson, Northrup, Bishop Barnes, or the monumental work of the inadequately known French philosopher, Emile Meyerson. Erudite, painstaking, and with a persistent ethical undertone, Dr. Reiser attempts a synthesis of scientific knowledge on the basis of Humanism—which he defines, in part, as "the doctrine that men, through the use of intelligence . . . can create for themselves . . . a rational civilization in which each person enjoys economic security and finds cultural outlets for whatever normal human capacities and creative energies he possesses." The point of view is irreproachable; but the discussions that support it partake more of the didactic than of the concrete.

H. W.

Twentieth Century Psychiatry, by William A. White. New York: W. W. Norton and Company. 198 pages. $2.

Psychiatry, apparently, grows humbler as it grows older. At least these thoughtful, scholarly lectures, originally delivered before the New York Academy of Medicine, con-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

omnipotence of the new "science" which until recently all psychiatrists made so lavishly. Instead, Dr. White traces realistically, critically and in full detail the actual history of psychological therapy during the past fifty years—noting its past failures and its present shortcomings as carefully as he does its remarkably steady advances. He stresses the prevalence of mental diseases in America and the growing need of recognizing them and dealing with them adequately. And he makes one novel and valuable contribution to the theoretical progress of the subject when he shows how similar is the psychiatrist's concept of the human organism to the modern physicist's view of all organic matter. His is a serious broad and humane point of view that will do the future reputation of his profession no harm. G. A.

Impassioned Pygmies, by Keith Winter. New York: Doubleday, Doran and Company. $2.50.

The scene is an island in the Mediterranean, "Miramar," where E. L. Marius, a great English novelist, is dying of cancer in the midst of his adoring disciples. Four newcomers visit the island: they are Saul Marius, the novelist's son; Andrew Jordan, a spectacularly successful English playwright; an American girl and her healthy English husband. Saul is brilliant and "fine"; Andrew Jordan and the girl both fall in love with him—an experience that ends fatally for Andrew, who commits suicide when he finds himself unable to write a serious and worthy play. Mr. Winter has a point of view from which to satirize the affectations of Marius' little band: the familiar, hard-boiled point of view that Andrew Jordan himself typifies. But when he tries to back off and appraise Andrew seriously, and to show why Saul is distinguished and fine, he has no place to stand. This novel is not "South Wind"; and E. L. Marius, though he seems to be modeled after D. H. Lawrence, is not of his stature. B. D.

Contributors

A. Wilfred May is a financial economist who recently served as special economic expert for the Securities and Exchange Commission. Previously he had attended the World Economic Conference in London in 1933 as an observer and technical adviser for the United States delegation. He has written extensively for various magazines and was one of the collaborating authors of "The Banking Situation" and "The Economics of Inflation," both published by the Columbia University Press.

Horace Taylor is associate professor of Economics at Columbia University. His college textbook, "Contemporary Problems in the United States," was published in two volumes by Harcourt, Brace.

Bunji Omura has edited Japanese newspapers in New York City and on the Pacific Coast, and has contributed articles on Japanese affairs to various American magazines.

Newton Arvin, associate professor of English at Smith College, has written a biography of Hawthorne and edited "The Heart of Hawthorne's Journals." At present he is working on a book about Walt Whitman.

The initials signed to the brief reviews are those of George Soule, Harold Ward, Grace Adams and Byron Dexter.

THE THEATRE GUILD *presents*
in association with Lee Ephraim
CALL IT A DAY
A Comedy by DODIE SMITH
with GLADYS COOPER *and* PHILIP MERIVALE
MOROSCO THEA., 45th St. W. of B'way. Evgs. 8:30
Matinees, Thursday and Saturday at 2:30
Extra Matinee Wednesdays

THE THEATRE GUILD *presents*
END OF SUMMER
A Comedy by S. N. BEHRMAN
with INA CLAIRE *and* OSGOOD PERKINS
GUILD THEATRE, 52nd St. West of B'way. Evgs. 8:45
Matinees, Thursday and Saturday at 2:45

THE THEATRE GUILD *presents*
IDIOT'S DELIGHT
A new play by ROBERT E. SHERWOOD *with*
ALFRED LUNT *and* LYNN FONTANNE
SHUBERT THEA., 44th St. W. of B'way. Evgs. 8:40.
Matinees, Thursday and Saturday, 2:40.
300 Seats at $1.10

THE AMERICAN
RUSSIAN INSTITUTE
presents the
SOVIET THEATRE
A Symposium
at The New School for Social Research, 66 West 12th Street, Tuesday, May 5, at 8:30 p.m.
Speakers:
PROF. H. W. L. DANA
outstanding authority on the Soviet theatre (who will speak with slides).
NORRIS HOUGHTON
author of "Moscow Rehearsals."
LEE SIMONSON
a director of the Theatre Guild
Admission, 50c and 75c, tax included
Advance sale by
The American Russian Institute, Inc.
56 WEST 45th STREET, NEW YORK
Telephone MUrray Hill 2-0313

Special Summer Rates
Camps, Resorts, To Rent, etc.
DISPLAY RATES
1 inch 1 insertion.....$4.00
1 inch 3 insertions..... 3.50
1 inch 6 insertions..... 3.00
CLASSIFIED RATES
1 line of 6 pt. (6 words) 40c
1 line of 5 pt (7 words) 33 1-3c
No reduction for repeat insertions on less than ½ in.
THE NEW REPUBLIC
40 E. 49th St., New York City

VACATION TOURS TO *Soviet* **RUSSIA**
(CONDUCTED OR INDEPENDENT)
MEDICAL TOUR
FOR PHYSICIANS AND DENTISTS
JULY 1, 1936
Conducted by
DR. EDWARD COHEN
Including Spain, Palestine and Western Europe
SPECIAL ARRANGEMENTS FOR TEACHERS
Consult us about your travel, our service free. Ask for literature.
AMALGAMATED BANK OF NEW YORK
11 Union Square (ALgonquin 4-1500) New York

CORRESPONDENCE CLUBS

CONFESSION IS GOOD FOR YOUR HEART! CONTACTS, literary club for the mentally marooned connects you with over 1700 members with whom you may frankly and openly discuss all of your problems by correspondence. Not operated for profit. Unusual books loaned free to members. Send 3-cent stamp for details of unique plan to **CONTACTS, Box 91, Station D, New York City.**

WHY NOT LET OUR FRIENDSHIP CLUB banish that isolation of spirit mind heart? Box 670, Seattle.

FOR SALE

FOR SALE. Adirondack Island, nine acres. On Beaver Lake, near Fenton House, Number Four, Lewis County. Bungalow, five bedrooms, bath, large living room, kitchen. Open camp, ice house, woodshed. Furniture and boats included. $5,000. Address: Box 917, The New Republic.

THEATRE BENEFIT

Theatre Benefit, **BURY THE DEAD**, Monday, May 4, Ethel Barrymore Theatre, 55c to $2.75. Tickets at National Committee Defense Political Prisoners, 358

TRAVEL

RUSSIA TOUR $246
Via London, Copenhagen, Stockholm and Helsingfors, one week in U.S.S.R. Return via Warsaw, Berlin, Paris, $20 extra. Soviet Forum Tour, $445.
Send for Booklet "C"
WILLIAM M. BARBER
Babson Park Massachusetts

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED